

City Manager - Office of Equality Assurance

Nina S. Grayson, Director

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T*o ensure fair and equitable treatment of contractors, contractors' employees, users of City facilities, programs and services and City employees*

Core Services

Fair Employment and Disability Access

Ensure equal opportunity and access by providing assistance, information, investigating, and resolving complaints

Labor Compliance

Ensure fair business contracting practices by providing information, assistance, monitoring, investigating, and resolving complaints

Strategic Support: Clerical Support and Financial Management

City Manager - Office of Equality Assurance

Budget Summary

	2001-2002 Adopted	2002-2003 Adopted	Change
Authorized Positions	17.00	-	(100.0%)
Department Budget (All Funds)	\$ 1,571,308	\$ -	(100.0%)

Budget Highlights 2002-2003

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- ☐ The functions performed by the Office of Equality Assurance have been moved to the City Manager's Office (Office of Employee Relations) and Public Works Department to more closely align the Office's work with that performed by other Departments.

Department Overview

As part of the 2002-2003 Adopted Budget, the Office of Equality Assurance has been reorganized, and its functions have been transferred to the Public Works Department and the City Manager's Office (Office of Employee Relations).

For 2002-2003, the Fair Employment and Disability Access Core Service has been absorbed into the City Manager's Office (Office of Employee Relations) Lead and Advance the Organization Core Service, and the Labor Compliance Core Service has been

moved to the Public Works Department and renamed Equality Assurance.

Moving the Fair Employment and Disability Access Core Service to the Office of Employee Relations will improve coordination of efforts on employee investigations and complaint resolution, which are currently handled by both Offices. Transferring the Labor Compliance Core Service to Public Works will provide greater coordination and support to the current efforts of ensuring equality assurance in labor compliance.

City Manager - Office of Equality Assurance

Department Budget Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Dollars by Core Service					
Fair Employment and Disability Access	N/A	N/A	\$ -	\$ -	N/A
Labor Compliance	N/A	N/A	-	-	N/A
Strategic Support	N/A	N/A	-	-	N/A
Total	\$ -	\$ -	\$ -	\$ -	N/A
Dollars by Program					
Equal Opportunity and Access	\$ 418,047	\$ 530,290	N/A	N/A	N/A
Contract Compliance	736,941	1,041,018	N/A	N/A	N/A
Total	\$ 1,154,988	\$ 1,571,308	\$ -	\$ -	N/A
Dollars by Category					
Personal Services					
Salaries/Benefits	\$ 962,944	\$ 1,353,646	\$ -	\$ -	(100.0%)
Overtime	428	4,713	-	-	(100.0%)
Subtotal	\$ 963,372	\$ 1,358,359	\$ -	\$ -	(100.0%)
Non-Personal/Equipment	191,616	212,949	-	-	(100.0%)
Total	\$ 1,154,988	\$ 1,571,308	\$ -	\$ -	(100.0%)
Dollars by Fund					
General Fund	\$ 925,074	\$ 1,327,822	\$ -	\$ -	(100.0%)
Airport Maint & Opers	87,623	93,935	-	-	(100.0%)
Low/Mod Income Housing	62,926	70,819	-	-	(100.0%)
Water Pollution Control	39,999	39,366	-	-	(100.0%)
Capital Funds	39,366	39,366	-	-	(100.0%)
Total	\$ 1,154,988	\$ 1,571,308	\$ -	\$ -	(100.0%)
Authorized Positions	17.00	17.00	-	-	(100.0%)

Note: The City of San Jose is in the final year of a three year transition to a Performance-Based Budget. As a main step in the process, all departments and City Council appointees identified their major lines of business or "Core Services" delivered to customers. Departmental budget sections are now presented by Core Services, rather than Programs, with performance measures and adopted budget changes detailed. For fiscal year 2002-2003 (as part of the budget transition), Program information is now only available for the display of 2000-2001 Actual and 2001-2002 Adopted Budget data.

City Manager - Office of Equality Assurance

Budget Reconciliation

(2001-2002 Adopted to 2002-2003 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2001-2002):	17.00	1,571,308	1,327,822
<hr/> Base Adjustments <hr/>			
One-Time Prior Year Expenditures Deleted			
● Rebudget: Office Relocation		(150,000)	(150,000)
One-time Prior Year Expenditures Subtotal:	0.00	(150,000)	(150,000)
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Technical Adjustments to Costs of Ongoing Activities			
● Personal services and non-personal/equipment transfer to Public Works Department to reflect reorganization of labor compliance functions	(14.00)	(1,148,874)	(880,419)
● Personal services and non-personal/equipment transfer to City Manager's Office (Office of Employee Relations) to reflect reorganization of fair employment and disability access functions	(3.00)	(267,434)	(292,403)
● Decrease in non-personal funding to provide funding for Webmaster position in the Employee Services Department		(5,000)	(5,000)
Technical Adjustments Subtotal:	(17.00)	(1,421,308)	(1,177,822)
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2002-2003 Forecast Base Budget:	0.00	0.00	0.00
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2002-2003 Adopted Budget Total	0.00	0.00	0.00

City Manager - Office of Equality Assurance

Core Service: Fair Employment and Disability Access

City Service Area: Strategic Support - Employee Services

Core Service Purpose

To ensure equal opportunity and access by providing assistance, information, investigating, and resolving complaints.

Key Operational Services:

- | | |
|--|---|
| <input type="checkbox"/> Discrimination, Harassment, and Access Complaint Investigation, Resolution, Training, and Technical Assistance | <input type="checkbox"/> Equal Employment Opportunity Plan and Program |
| | <input type="checkbox"/> ADA Accommodation Coordination and Technical Assistance |

Performance and Resource Overview







This Core Service is now part of the Lead and Advance the Organization Core Service that resides in the Office of the City Manager (Office of Employee Relations).

City Manager - Office of Equality Assurance

Core Service: Fair Employment and Disability Access

City Service Area: Strategic Support - Employee Services

Performance and Resource Overview (Cont'd.)

Fair Employment and Disability Access Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of discrimination, harassment and accessibility complaints not sustained by federal/state agencies	Performance measures for this core service have been moved into the Office of the City Manager, Lead and Advance the Organization Core Service.			
 % of administrative discrimination, harassment and accessibility complaint investigations resulting in a finding of cause				
 Cost/discrimination, harassment and accessibility complaint investigation				
 % of discrimination, harassment and accessibility complaint investigations initiated within 10 days of receipt				
 % of discrimination, harassment and accessibility complaint investigations completed and resolved within mutually agreed timeframe between complainant and EA staff				
 % of customers who feel they received courteous treatment and timely service from their interaction with EA staff				

Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
# of complaints filed	Activity and Workload Highlights for this Core Service have been moved into the Office of the City Manager, Lead and Advance the Organization Core Service.			
# of internal administrative complaints received				
# of staff hours devoted to education and training				

City Manager - Office of Equality Assurance

Core Service: Fair Employment and Disability Access

City Service Area: Strategic Support - Employee Services

Performance and Resource Overview (Cont'd.)

Fair Employment and Disability Access Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	N/A	N/A	\$ -	\$ -	N/A
Non-Personal/Equipment	N/A	N/A	-	-	N/A
Total	\$ -	\$ -	\$ -	\$ -	N/A
 Authorized Positions	 N/A	 N/A	 -	 -	 N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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NONE

City Manager - Office of Equality Assurance

Core Service: Labor Compliance

City Service Area: Strategic Support - City Facilities and Equipment

Core Service Purpose





To ensure fair business contracting practices by providing information, assistance, monitoring, investigating, and resolving complaints.

Key Operational Services:

- ☐ **Monitor, Investigate, and Resolve Labor Compliance Violations on City Construction, Service, and Maintenance Contracts**

Performance and Resource Overview

This Core Service is now located in the Department of Public Works and has been renamed Equality Assurance.

Labor Compliance Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of construction contracts completed and closed without labor violations	Performance Measures for this Core Service have been moved into the Public Works Department, Equality Assurance Core Service.			
 Cost/contract monitored				
 % of service and maintenance classification determinations issued within 3 days of department requests				
 % of customers who feel they received courteous treatment and timely service from their interaction with EA staff				

City Manager - Office of Equality Assurance

Core Service: Labor Compliance

City Service Area: Strategic Support - City Facilities and Equipment

Performance and Resource Overview (Cont'd.)

Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
# of contracts monitored	Activity and Workload Highlights for this Core Service have been moved to the Public Works Department, Equality Assurance Core Service.			
# of labor compliance violations identified				
# of contractors' employees owed restitution				
Total \$ amount of restitution owed to employees				
# of contractors recommended for debarment				
# of City of San Jose certified MBE/WBE's				

Labor Compliance Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	\$ N/A	\$ N/A	\$ -	\$ -	N/A
Non-Personal/Equipment	N/A	N/A	-	-	N/A
Total	\$ -	\$ -	\$ -	\$ -	N/A
Authorized Positions	N/A	N/A	-	-	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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NONE

City Manager - Office of Equality Assurance

Strategic Support

Strategic Support represents services provided within departments that support and guide the provision of core services. Strategic Support within Equality Assurance includes:

☐ **Financial Management**

☐ **Clerical Support**

Performance and Resource Overview

Strategic Support has been absorbed into the Department of Public Works.

Strategic Support Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Strategic Support Budget *					
Personal Services	N/A	N/A	\$ -	\$ -	N/A
Non-Personal/Equipment	N/A	N/A	-	-	N/A
Total	\$ -	-	\$ -	\$ -	N/A
Authorized Positions	N/A	N/A	-	-	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of Strategic Support. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Strategic Support performance, yet are displayed elsewhere in this budget.

Finance Department

Scott P. Johnson, Director

M I S S I O N

T*o manage, protect and report on the City of San Jose's financial resources to enhance the City's financial condition for our residents, businesses and investors*

Core Services

Financial Management

Manage and protect the City's resources to enhance the City's financial condition

Financial Reporting

Provide accurate and meaningful reporting on the City's financial condition

Disbursements

Coordinate payment of the City's financial obligations

Strategic Support: Analytical Support, Budget/Fiscal Management, Human Resources Management, Contract Administration, Computer Network Services, Administrative Support

Finance Department

Budget Summary

	2001-2002 Adopted	2002-2003 Adopted	Change
Authorized Positions	145.00	119.00	(17.9%)
Department Budget (All Funds)	\$ 11,814,178	\$ 10,505,477	(11.1%)

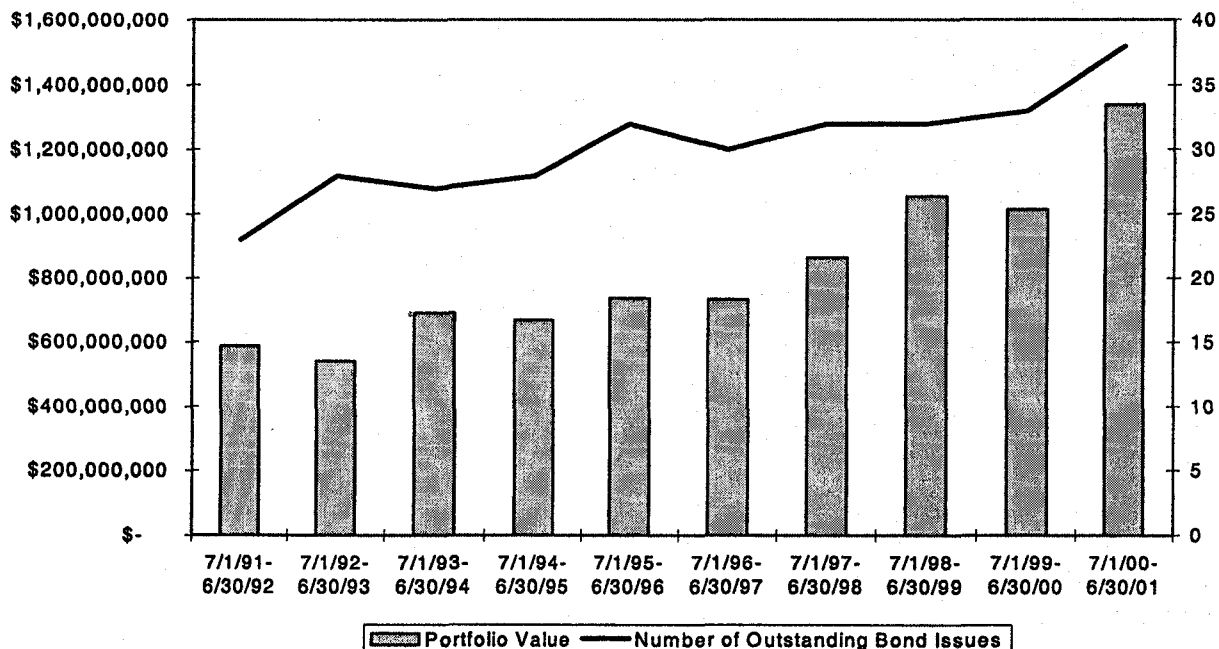
Budget Highlights 2002-2003

- ☐ City's first performance-based budget (2002-2003) developed by aligning the financial account structure and the City Service Area and Core Service framework
- ☐ Streamline service delivery by redeploying Workers' Compensation Program (22 positions) to the Employee Services Department in the Strategic Support - Employee Services City Service Area
- ☐ Implementation of Mayor's Budget Direction including reallocation of charges for debt management, review of insurance premiums to generate savings, and review of encumbrances to better utilize existing funds

Budget Byte

- From June 1992 to June 2001, the City's investment portfolio more than doubled, from \$588 million to \$1.34 billion.
- Over the same period, the number of outstanding bond issues increased by over 65 percent, from 23 in June 1992 to 38 in June 2001.

Investment Portfolio Balance and Outstanding Bond Issues*



* Reflects only those bond issues for which debt service is included in the City's budget.

Finance Department

Department Overview

The Finance Department manages, protects, and reports on the City's financial resources to enhance the City's financial condition for its residents, businesses and investors. This mission is accomplished through the delivery of core services aligned with key outcomes in the Strategic Support - Finance & Technology City Service Area (CSA).

Financial Management

The core service of Financial Management contributes to the following Finance and Technology CSA outcome: *Systems and Processes Facilitate the Delivery of City Services to Internal and External Customers.*

The purpose of the Financial Management core service is to manage and protect the City's resources to enhance the City's financial condition. To accomplish this, the Financial Management core service develops and streamlines systems and processes to provide customers with timely and accessible information.

The Financial Management core service is also focused on enhancing the City's financial condition and contributes to the following Finance and Technology CSA outcome: *The City's Financial and Technology Resources are Protected and Available to Address Short and Long-Term Needs.*

When the City's financial condition is strong, resources can be made available to address short and long-term needs. For example, in July, 2002, the City's high credit ratings were confirmed by the three national credit rating agencies – Moody's, Standard & Poor's, and Fitch – who issued the City the ratings of Aa1, AA+, and AA+ respectively. These ratings place the City among the highest rated of California's largest cities and confirm San

Jose's top performance in fiscal management. In addition, the ratings will translate into lower interest rates and significant savings to taxpayers over the life of several City bonds for the library, parks and recreation, and neighborhood security projects. The high credit ratings will also have a positive impact on City finances for future projects since the City may borrow at a lower interest rate. Continuing successful management of the City's rapidly growing debt portfolio is one of the Department's key objectives for the coming year.

Financial Reporting

The core service of Financial Reporting contributes directly to the following Finance and Technology CSA outcome: *Internal and External Customers Have the Financial Information They Need to Make Informed Decisions.*

This core service provides accurate and meaningful reporting on the City's financial condition. This reporting includes verifying with customers that the information provided is useful, timely and available in desired formats.

In 2001-2002, the City began implementation of a new Financial Reporting Model in keeping with the Government Accounting Standards Board's thirty-fourth pronouncement (GASB 34). This pronouncement requires major changes in financial reporting to provide for comprehensive reporting on infrastructure and other fixed assets that traditionally have not been included in state and local government financial reports. In addition, GASB 34 requires the City to develop financial statements that recognize revenues as they are earned or incurred (full accrual accounting). A fixed assets tracking system will be acquired in 2002-2003. In addition, in the coming year the Department will focus on implementing the

Finance Department

Department Overview (Cont'd.)

Financial Reporting (Cont'd.)

system and completing the additional requirements to add full accrual accounting reporting capabilities. These accounting changes are a priority for the Department, and will be made possible by prudent redeployment of existing staff resources. In addition to bringing the City into compliance with GASB pronouncements, the financial information produced by this system will enable staff to make informed recommendations to the City Council regarding infrastructure as well as asset maintenance and replacement.

In 2002-2003, the City's first performance-based budget was made possible by successful alignment of the financial account structure and the CSA and core service framework. As a result, budget and expenditure information can be produced and analyzed at the CSA and core service level, enabling a more accurate portrayal of the costs to deliver services and meet performance results.

Disbursements

The Disbursements core service coordinates payment of the City's financial obligations. Payment processing facilitates the delivery of City services by ensuring that goods and support services are available when needed.

In 2001-2002, the Department partnered with the Information Technology Department in the upgrade of both the Financial Management System and the Human Resources/Payroll System (PeopleSoft) to new versions. These upgrades proceeded smoothly enough to be almost invisible to internal and external customers. In 2002-2003, one of the Department's central objectives is to continue enhancing the PeopleSoft system to facilitate payroll and human resources processes in the

City. This project will be pursued by rebudgeting existing resources.

As part of the ongoing effort to align employee services city-wide, the Finance Department's Risk Management Division has been reorganized and a subsection of the division – the Workers' Compensation Program – has been redeployed to the Employee Services Department. As a result of this realignment, the Workers' Compensation operational service will be deleted from the Disbursement Core service.

Challenges & Opportunities for 2002-2003

Approved reductions for the 2002-2003 budget are designed to assist the City in facing the General Fund shortfall challenge in the upcoming year and beyond. The Mayor's Budget Message contained specific recommendations that the Finance Department will implement in 2002-2003. These recommendations include: (1) the reallocation of direct charges to the Housing Department to reflect the actual level of housing debt and loan management services provided by positions in the Finance Department, as discussed in the Financial Reporting and Financial Management core services sections, (2) a review of current insurance coverage to reduce insurance premium costs, as discussed in the City-Wide Expenses section of this document, and (3) a review of encumbrance policies to increase efficiency of cash flow and ensure the utilization of available funds.

In addition, the Finance Department has identified resources and positions that can be removed with minimal impact to internal and external customers and to the Department's performance measure targets. These approved reductions are described in more detail in the following core service sections.

Finance Department

Department Budget Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Dollars by Core Service					
Financial Management	N/A	N/A	5,619,998	5,516,800	N/A
Financial Reporting	N/A	N/A	1,931,083	1,887,049	N/A
Disbursements	N/A	N/A	1,242,794	1,424,026	N/A
Strategic Support	N/A	N/A	1,823,464	1,677,602	N/A
Total	\$ -	\$ -	\$ 10,617,339	\$ 10,505,477	N/A
Dollars by Program					
Admin. Analysis & Debt Mgmt.	\$ 988,913	\$ 1,362,436	N/A	N/A	N/A
Accounting	4,076,768	4,978,514	N/A	N/A	N/A
Treasury	2,669,085	3,181,613	N/A	N/A	N/A
Risk Management	2,057,688	2,291,615	N/A	N/A	N/A
Total	\$ 9,792,454	\$ 11,814,178	\$ -	\$ -	N/A
Dollars by Category					
Personal Services					
Salaries/Benefits	\$ 8,574,579	\$ 9,968,198	\$ 9,480,530	\$ 9,189,219	(7.8%)
Overtime	55,576	47,933	48,400	48,400	1.0%
Subtotal	\$ 8,630,155	\$ 10,016,131	\$ 9,528,930	\$ 9,237,619	(7.8%)
Non-Personal/Equipment	1,162,299	1,798,047	1,088,409	1,267,858	(29.5%)
Total	\$ 9,792,454	\$ 11,814,178	\$ 10,617,339	\$ 10,505,477	(11.1%)
Dollars by Fund					
General Fund	\$ 8,052,969	\$ 9,807,523	\$ 8,447,824	\$ 8,367,526	(14.7%)
Airport Maint & Opers	48,527	49,397	53,871	52,321	5.9%
Community Dev Block Grant	139,004	140,125	153,393	153,393	9.5%
Conv & Cultural Affairs	34,040	35,638	39,006	36,422	2.2%
Integrated Waste Mgmt	1,017,332	1,208,729	1,301,693	1,201,230	(0.6%)
Low/Mod Income Hsg	53,397	95,941	90,169	166,303	73.3%
Muni Health Svcs Program	19,894	24,369	26,805	26,805	10.0%
Sewer Svc & Use Charge	406,767	431,710	481,999	481,999	11.6%
Treatment Plant Operating	20,524	20,746	22,579	19,478	(6.1%)
Total	\$ 9,792,454	\$ 11,814,178	\$ 10,617,339	\$ 10,505,477	(11.1%)
Authorized Positions	140.00	145.00	122.00	119.00	(17.9%)

Note: The City of San Jose is in the final year of a three year transition to a Performance-Based Budget. As a main step in the process, all departments and City Council appointees identified their major lines of business or "Core Services" delivered to customers. Departmental budget sections are now presented by Core Services, rather than Programs, with performance measures and adopted budget changes detailed. For fiscal year 2002-2003 (as part of the budget transition), Program information is now only available for the display of 2000-2001 Actual and 2001-2002 Adopted Budget data.

Finance Department

Budget Reconciliation

(2001-2002 Adopted to 2002-2003 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2001-2002):	145.00	11,814,178	9,807,523
<hr/> Base Adjustments <hr/>			
One-Time Prior Year Expenditures Deleted			
● Rebudget: Accounts Receivable Consolidation		(186,350)	(186,350)
● Rebudget: Network of Medical Providers		(50,000)	(50,000)
● Rebudget: Paperless File Storage		(30,000)	(30,000)
● Rebudget: Risk Manager		(25,000)	(25,000)
● GASB 34 (Data Processing & Contractual Services)		(124,000)	(124,000)
● Decade of Investment (Supplies & Contractual Services)		(20,000)	(20,000)
● Temporary Principal Accountant for HR/Payroll (City-Wide Expenses)	(1.00)	0	0
	<hr/> (1.00)	<hr/> (435,350)	<hr/> (435,350)
Technical Adjustments to Costs of Ongoing Activities			
● Salary/benefit changes		1,113,671	951,011
● Reorganization of Workers' Compensation Program into Employee Services Department	(22.00)	(1,927,226)	(1,927,226)
● Reallocation of City-Wide Expenses resources for Human Resources/Payroll Project		139,766	139,766
● Decrease in non-personal/equipment funding to provide funding for the Webmaster position in the Employee Services Department		(5,000)	(5,000)
● Changes in Decade of Investment contractual services		18,000	18,000
● Transfer of Workers' Compensation-related insurance costs to City-Wide Expenses: Employee Services		(100,000)	(100,000)
● Changes in vehicle maintenance and operations costs		(700)	(900)
Technical Adjustments Subtotal:	<hr/> (22.00)	<hr/> (761,489)	<hr/> (924,349)
2002-2003 Forecast Base Budget:	122.00	10,617,339	8,447,824

Finance Department

Budget Reconciliation (Cont'd.)

(2001-2002 Adopted to 2002-2003 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Investment/Budget Proposals Approved			
Financial Management			
- Realignment of Payroll and Utility Billing Accounting Services	(1.90)	(219,440)	(122,078)
- Consolidation of Insurance Program	(1.00)	(83,300)	(72,964)
- Rebudgets: Financial Management Services		220,000	220,000
- Reallocation of Arbitrage Rebate Calculation Costs		(20,000)	(20,000)
- Expanded Financial Management Services for Housing Loan and Bond Issuance Program		(458)	(61,344)
Financial Management Subtotal:	(2.90)	(103,198)	(56,386)
Financial Reporting			
- Realignment of Payroll and Utility Billing Accounting Services	(0.40)	(44,492)	(44,492)
- Expanded Financial Reporting Services for Housing Loan and Bond Issuance Program		458	(14,790)
Financial Reporting Subtotal:	(0.40)	(44,034)	(59,282)
Disbursements			
- Realignment of Payroll and Utility Billing Accounting Services	2.00	181,232	181,232
Strategic Support Subtotal:	2.00	181,232	181,232
Strategic Support			
- Streamlining of Analytical Services in the Administration and Analysis Division	(1.00)	(74,547)	(74,547)
- Realignment of Payroll and Utility Billing Accounting Services	(0.70)	(71,315)	(71,315)
Strategic Support Subtotal:	(1.70)	(145,862)	(145,862)
Total Investment/Budget Proposals Approved	(3.00)	(111,862)	(80,298)
2002-2003 Adopted Budget Total	119.00	10,505,477	8,367,526

Finance Department

Core Service: Financial Management

City Service Area: Strategic Support - Finance & Technology

Core Service Purpose

Manage and protect the City's resources to enhance the City's financial condition.

Key Operational Services:

- | | |
|--|--|
| <input type="checkbox"/> Revenue Collection | <input type="checkbox"/> Debt Management |
| <input type="checkbox"/> Investments | <input type="checkbox"/> Property and Liability Insurance |

Performance and Resource Overview

Financial Management refers to the general oversight of the City's financial resources. It involves monitoring business processes, analyzing options, and selecting courses of action consistent with City guidelines and objectives. This core service supports two Finance & Technology City Service Area outcomes: (1) *Systems and Processes Facilitate the Delivery of City Services to Internal and External Customers*; and, (2) *The City's Financial and Technology Resources are Protected and Available to Address Short and Long-Term Needs*. The first is supported by developing and streamlining business systems and processes that support the delivery of City services; the second is supported through timely cash collection, prudent investment of the City's cash, financing capital projects at the lowest possible cost and adequate coverage for risk exposures.

The Financial Management core service enhances the City's financial condition so it will continue to be strong and considered among the best-managed cities of similar size. One measure of fiscal strength is the City's bond rating, and San Jose continues to be one of the highest rated large cities in California. These ratings enable the City to borrow money at the lowest possible interest rate, thus reducing costs to finance capital projects.

With the passage of the Neighborhood Libraries and Parks and Recreational Facilities General Obligation Bond Measures in 2000, and the Neighborhood Security Act Bond Measure in 2002, it is clear that residents expect the City to provide additional facilities and improve existing ones. Because of the increase in funding necessary for these projects, as well as that for a new Civic Center, Airport facilities and other ongoing capital projects, the Debt Management operational service was provided additional staffing and reclassification of existing positions in the 2001-2002 Adopted Budget to continue delivering an appropriate level of service.

As part of its commitment to building strong neighborhoods, the City has stepped up its support of affordable housing construction. Reflecting the augmented level of service provided by Finance

Finance Department

Core Service: Financial Management

City Service Area: Strategic Support - Finance & Technology

Performance and Resource Overview (Cont'd.)

staff to support the associated growth in housing loan issuance programs and bonds, partial funding for two positions will be shifted from the General Fund to Housing funds.

Two debt-related initiatives for 2002-2003 are designed to more appropriately allocate costs and recognize revenues. Under the first initiative, special funds will be charged for the consultant contract costs required to calculate Internal Revenue Service arbitrage rebate liabilities and minimize those payments. Under the second initiative, interest earnings on certain debt service reserve funds held by trustees will be recognized as revenue, freeing up other resources that would otherwise have been budgeted for payment of debt service obligations.

To capture efficiencies within the Finance Department and provide savings without a decline in service, the utility billing revenue collection staff will be reorganized from the Accounting Division to the Treasury Division. Additionally, to more accurately reflect the services provided by investment staff, four positions will be added to the roster of positions reimbursed from interest earnings on the City's investments. This shift relieves the General Fund of the majority of its obligations to fund these positions.

Finally, an Insurance Assistant position was approved to be deleted in 2002-2003 as part of the City's cost management strategy. Although deleting this Insurance Assistant position provides annual savings to the General Fund, the reduction in available staff resources will have some impact on service delivery. Remaining staff will perform the workload that provides support to internal and external customers. Currently, the insurance program processes 98% of all Police and Public Works permits requiring insurance clearance within one day. Customers may experience a longer wait for insurance clearances. Internal and external customers may also see an increase in turnaround time on insurance specifications for contracts and agreements. However, it is important to recognize what can be achieved with remaining resources. Timely service will continue to be provided by remaining staff: 75% of all contract clearance requests will be handled within 15 days, as opposed to 78% of all requests currently handled within 10 days.

Performance measures assess how well core service goals are achieved (e.g., maintaining exceptional bond ratings, actively monitoring and collecting monies owed the City and providing excellent service to customers). To measure the cost of Financial Management services, the labor cost for staff providing these services is compared to the value of the City's total assets as shown in the most current Comprehensive Annual Financial Report. For 2001-2002, the estimated ratio of 0.072% indicates that labor costs expressed as a fraction of the City's portfolio fell below the prior year level of 0.075% and the target level of 0.077%. This trend is explained by the fact that growth in the City's portfolio is outpacing growth in staff costs, which have been restrained in part by delays in filling vacant positions.

Finance Department

Core Service: Financial Management




City Service Area: Strategic Support - Finance & Technology

Performance and Resource Overview (Cont'd.)

For 2001-2002, the average length of time active accounts receivable are past due was reduced to an estimated 78 days by using an automated collection management system that alerts staff to tardy accounts. This estimate of 78 days on average for collections compares favorably with the 81 days baseline reported for 2000-2001. Reflecting the increase in collections performance over the last year, the target for 2002-2003 has been reduced to 75 days. As other billing systems are integrated into this one, improvement will be seen in managing and collecting accounts, as well as in reducing the length of time that active accounts receivable are past due.

Performance Measure Development

Customer surveys provide the feedback needed to make service improvements. The Financial Management core service has obtained this feedback from its internal customers as part of the Finance & Technology CSA web-based survey, which was completed in the fourth quarter of 2001-2002. Eighty percent of customers rate financial management services as good to excellent, indicating that performance met targeted goals. To reach its external customers, Financial Management uses a combination of survey methods. Customers who transact their business at City Hall are given the opportunity to fill out a customer satisfaction questionnaire, while off-site customers are surveyed via telephone. Financial Management has partnered with the Financial Reporting core service to make the most efficient use of the telephone survey.

Financial Management Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 City's bond rating				
- Moody's	Aa1	Aa1	Aa1	Aa1
- Standard & Poor's	AA+	AA+	AA+	AA+
- Fitch	AA+	AA+	AA+	AA+
 Cost of financial management services as a percentage of total assets	0.075%	0.077%	0.072%	0.078%
 % of customers who rate financial management services as good or excellent on a 5-point scale based on courteous and timely responses to requests for information	80%	80%	80%	80%

Finance Department

Core Service: Financial Management

City Service Area: Strategic Support - Finance & Technology

Performance and Resource Overview (Cont'd.)

Selected Operational Measures	2001-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
Average number of days active accounts receivable are past due	81	80	78	75

Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
Total Cost for Financial Management Services	\$4.02M	\$4.22M	\$4.35M	\$4.15M
Total Recorded Value of City Assests	\$5.30B	\$5.50B	\$6.00B	\$6.00B
Total number of Survey Responses	77	100	100	100

Financial Management Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	N/A	N/A	\$ 4,798,149	\$ 4,515,502	N/A
Non-Personal/Equipment	N/A	N/A	821,849	1,001,298	N/A
Total	-	-	5,619,998	5,516,800	N/A
Authorized Positions	N/A	N/A	66.34	63.44	N/A

* The Resource Summary includes all Department Operating funds that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Finance Department

Core Service: Financial Management

City Service Area: Strategic Support - Finance & Technology

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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SYSTEMS AND PROCESSES FACILITATE THE DELIVERY OF CITY SERVICES

1. Realignment of Payroll and Utility Billing Accounting Services	(1.90)	(219,440)	(122,078)
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The approved realignment of financial services will consolidate and redeploy Accounting staff, allowing for a net reduction of one position and \$154,015 in savings across four core services. Utility Billing Services will be integrated into the Treasury Division in order to better use existing Treasury management and support staff.

The impact of the Payroll and Utility Billing Accounting Services realignment on the four core services is as follows. In *Financial Management*, a net reduction of 1.9 positions generated savings in the core service of \$219,440 in all funds and \$122,078 in the General Fund. The General Fund savings were lower than the total savings due to funding shifts for certain positions from the Integrated Waste Management Fund to the General Fund to reflect service delivered by these positions. In *Financial Reporting*, a net reduction of 0.4 positions resulted in savings of \$44,492, all of which occurred in the General Fund. In *Disbursements*, 2.0 positions were added for a total cost increase of \$181,232 in the General Fund. In *Strategic Support*, a net reduction of 0.7 positions resulted in savings to the General Fund of \$71,315.

In this core service, a net of 1.9 positions were redeployed (-1.2 Accountant II, -0.2 Office Specialist, -1.0 Principal Accountant, -0.2 Deputy Director of Accounting, 0.25 Deputy Director of Treasury, 0.45 Secretary). Ongoing funding reductions will also occur in position-related non-personal/equipment expenses in this core service (\$20,551). (Ongoing savings: \$219,440)

Performance Results:

Customer Satisfaction This activity integrates Utility Billing Services within the Treasury Division, providing customers a streamlined point of contact with respect to revenue and cash collection functions. This action also redeploys existing staff in the Payroll, General Ledger and Special Accounting sections to enhance service delivery, particularly in the areas of Payroll business processing and financial reporting.

Finance Department

Core Service: Financial Management

City Service Area: Strategic Support - Finance & Technology

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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SYSTEMS AND PROCESSES FACILITATE THE DELIVERY OF CITY SERVICES (CONT'D.)

2. Consolidation of Insurance Program (1.00) (83,300) (72,964)

This action eliminates a filled Insurance Assistant position and shifts the position's special funding to a Senior Account Clerk. The tasks performed by the Insurance Assistant will be reassigned to the remaining staff. The funding shift reflects the heightened level of service the Senior Account Clerk will provide to special funds including the Treatment Plant Operating Fund, the Convention and Cultural Affairs Fund, the Airport Maintenance and Operations Fund, and the Integrated Waste Management Fund as a result of the approved staffing reduction. (Ongoing savings: \$83,300)

Performance Results:

Customer Satisfaction This reduction was selected because it was judged to have less impact on customers than other alternatives. Because it does reduce by 25% the staff performing property and liability work, some impact on customers may be felt. Turnaround time on insurance specifications for contracts and agreements may increase, and external customers may experience a longer wait for insurance clearances required for public works and police permits. Currently, the insurance program provides a one-day turnaround time for 98% of all permits requiring insurance clearance, with 100% resolved within three working days. No decrease in the Financial Management core service Customer Satisfaction target is recommended by the Department because, on an aggregate level, service delivery quality will remain high.

3. Rebudgets: Financial Management Services 220,000 220,000

The rebudget of unexpended 2001-2002 funds for the Accounts Receivable Consolidation and Improvements project will provide consulting services and necessary system capability enhancements related to implementing Phase Two of the Automated Collection Management System (\$140,000). In addition, the rebudget of unexpended 2001-2002 funds for the Workers' Compensation Claims Management System will provide for consulting services to upgrade and enhance the City's system for managing workers' compensation claims (\$80,000). (Ongoing cost: \$0)

Performance Results: N/A (Final Budget Modification)

Finance Department

Core Service: Financial Management

City Service Area: Strategic Support - Finance & Technology

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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THE CITY'S FINANCIAL AND TECHNOLOGY RESOURCES ARE PROTECTED AND AVAILABLE TO ADDRESS SHORT AND LONG TERM NEEDS

- | | | | |
|---|--|----------|----------|
| 4. Reallocation of Arbitrage Rebate Calculation Costs | | (20,000) | (20,000) |
|---|--|----------|----------|

This action reduces the non-personal/equipment budget by \$20,000 to reflect consultant contract costs that will be charged directly to the special funds that utilize these services. The consultants monitor bonds used to finance City projects to minimize Internal Revenue Service "arbitrage rebate" charges. (Ongoing savings: \$20,000)

Performance Results:

Cost These changes allow actual costs of hiring consultants to monitor and minimize arbitrage rebate penalties to be reflected in the appropriate funds. **Customer Satisfaction** Levels of service provided for calculating arbitrage rebate costs will be unchanged.

INTERNAL AND EXTERNAL CUSTOMERS HAVE THE FINANCIAL INFORMATION THEY NEED TO MAKE INFORMED DECISIONS

- | | | | |
|--|--|-------|----------|
| 5. Expanded Financial Management Services for the Housing Loan and Bond Issuance Program | | (458) | (61,344) |
|--|--|-------|----------|

This action shifts funding for 0.6 of a Financial Analyst position from the General Fund to the Low and Moderate Income Housing Fund to reflect the growing level of support provided for the City's multi-family housing debt program. (Ongoing savings: \$458)

Performance Results:

Customer Satisfaction The position provides internal and external customer support for the issuance and administration of multi-family housing and tax allocation bonds, analysis of the department's cash flow needs and better utilization of the Line of Credit. Because this action only shifts funding for an existing position to better reflect actual workload, no change in levels of service provided is anticipated.

2002-2003 Adopted Core Service Changes Total	(2.90)	(103,198)	(56,386)
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Finance Department

Core Service: Financial Reporting

City Service Area: Strategic Support - Finance & Technology

Core Service Purpose

To provide accurate and meaningful reporting on the City's financial condition.

Key Operational Service:

- ☐ **Financial Information and Analysis**

Performance and Resource Overview

Financial Reporting services provided by the Finance Department address customer requirements for financial information and analysis. The information reported is used by internal and external stakeholders in their decision-making processes. City departments use the information to manage their operations while outside agencies seek reports for their unique purposes. This core service supports the following Finance & Technology CSA outcome: *Internal and External Customers have the Financial Information They Need to Make Informed Decisions.*

Customers have indicated that financial information needs to be accurate, timely and available in desired formats for it to be meaningful and useful to them. For 2001-2002, an estimated 94% of reports produced were accurate and on time.

For 2001-2002, the cost per report of \$305 was on target, increasing an expected \$14 per report over the 2000-2001 amount of \$291. This increase was due in part to the ongoing development of information available to more accurately accumulate the costs associated with financial reporting.

The new financial reporting model as required by GASB 34 (a pronouncement issued by the Government Accounting Standards Board) provides for comprehensive reporting of the City's infrastructure and other fixed assets. Traditionally, state and local governments have not been required to report general infrastructure assets in their financial reports. To comply with these new requirements, a fixed assets information system will be acquired during 2002-2003 and implementation will be completed in the same year. The additional financial information produced by this system will enable staff to make informed recommendations to the City Council regarding infrastructure as well as asset maintenance and replacement.

Additional GASB 34 requirements include new entity-wide statements that recognize revenues and expenditures as they are earned or incurred (full accrual accounting); a new statement which reconciles the fund accounting and full accrual accounting statements; additional disclosure and footnotes related to infrastructure and depreciation; and a statement that presents the original and revised budgets with explanations of major differences. These additional reporting requirements will

Finance Department

Core Service: Financial Reporting

City Service Area: Strategic Support - Finance & Technology




Performance and Resource Overview (Cont'd.)

be absorbed by existing staff resources that have been redeployed for this purpose. Whenever possible, reporting processes and procedures will be modified to reduce the amount of staff time necessary to complete tasks.

In addition to implementing the new reporting model requirements, the Finance Department, in partnership with the City Manager's Budget Office, led a team that planned, developed, designed, and implemented the capability for the City's financial management system to produce budget and expenditure information by Core Service and City Service Area, a key milestone in the implementation of Investing in Results framework for city-wide service delivery. This conversion will enable a more accurate portrayal of the costs to deliver services and accomplish results. The new account structure was used to develop 2002-2003 budget information, San Jose's first Performance-Based Budget.

Performance Measure Development

Customer surveys will continue to be used to provide the feedback needed to gauge clarity, timeliness and usefulness of reports currently produced by this core service. In May, 2002, phone and mail surveys of external customers were conducted. In June, 2002, an on-line internal customer satisfaction survey was conducted in collaboration with other members of the Finance and Technology CSA. Eighty-one percent of customers surveyed rated reports as good to excellent, a performance result that exceeded targeted performance goals.

Financial Reporting Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of reports that are accurate and on time	94%	95%	94%	95%
 Cost per report	\$291	\$305	\$305	\$338
 % of customers who rate reports as good or excellent on a 5-point scale based on clarity, timeliness, usefulness and availability in desired format	90%	80%	81%	82%

Finance Department

Core Service: Financial Reporting

City Service Area: Strategic Support - Finance & Technology

Performance and Resource Overview (Cont'd.)

Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
Total Cost for Financial Reporting Services	\$581,884	\$610,000	\$618,638	\$673,775*
Total Number of Reports Provided	2,003	2,000	2,030	2,000
Total Number of Survey Responses	222	100	100	100

* Includes only direct costs of producing reports, and excludes costs of administrative functions, customer support functions, and data maintenance associated with report generation.

Financial Reporting Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	N/A	N/A	\$ 1,919,783	\$ 1,875,749	N/A
Non-Personal/Equipment	N/A	N/A	11,300	11,300	N/A
Total	\$ -	-	\$ 1,931,083	\$ 1,887,049	N/A
Authorized Positions	N/A	N/A	22.00	21.60	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Finance Department

Core Service: Financial Reporting

City Service Area: Strategic Support - Finance & Technology

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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SYSTEMS AND PROCESSES FACILITATE THE DELIVERY OF CITY SERVICES

- | | | | |
|---|--------|----------|----------|
| 1. Realignment of Payroll and Utility Billing Accounting Services | (0.40) | (44,492) | (44,492) |
|---|--------|----------|----------|

The approved realignment of financial services will consolidate and redeploy Accounting staff, allowing for a net reduction of one position and \$154,015 in savings across four core services. Utility Billing Services will be integrated into the Treasury Division in order to better use existing Treasury management and support staff.

The impact of the Payroll and Utility Billing Accounting Services realignment on the four core services is as follows. In *Financial Management*, a net reduction of 1.9 positions generated savings in the core service of \$219,440 in all funds and \$122,078 in the General Fund. The General Fund savings were lower than the total savings due to funding shifts for certain positions from the Integrated Waste Management Fund to the General Fund to reflect service delivered by these positions. In *Financial Reporting*, a net reduction of 0.4 positions resulted in savings of \$44,492, all of which occurred in the General Fund. In *Disbursements*, 2.0 positions were added for a total cost increase of \$181,232 in the General Fund. In *Strategic Support*, a net reduction of 0.7 positions resulted in savings to the General Fund of \$71,315.

In this core service, a net 0.4 position was approved for reduction (-1.0 Senior Accountant, 0.2 Office Specialist, 0.2 Accountant II, 0.2 Deputy Director of Accounting). (Ongoing savings: \$44,492)

Performance Results:

Customer Satisfaction This activity integrates Utility Billing Services (UBS) within the Treasury Division, providing customers a streamlined point of contact with respect to revenue and cash collection functions. This action also redeploys existing staff in the Payroll, General Ledger and Special Accounting sections to enhance service delivery, particularly in the areas of Payroll business processing and financial reporting.

Finance Department

Core Service: Financial Reporting

City Service Area: Strategic Support - Finance & Technology

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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INTERNAL AND EXTERNAL CUSTOMERS HAVE THE FINANCIAL INFORMATION THEY NEED TO MAKE INFORMED DECISIONS

- | | | | |
|---|--|-----|----------|
| 2. Expanded Financial Reporting Services for the Housing Loan and Bond Issuance Program | | 458 | (14,790) |
|---|--|-----|----------|

This action shifts funding for 0.19 of an Accounting Technician from the General Fund to the Low and Moderate Income Housing Fund to reflect the growing level of support provided for the City's multi-family housing debt program. (Ongoing cost: \$458)

Performance Results:

Customer Satisfaction The position provides internal and external customer support for the issuance and administration of multi-family housing and tax allocation bonds, analysis of the department's cash flow needs and better utilization of the Line of Credit. Because this action only shifts funding for an existing position to better reflect actual workload, no change in levels of service provided is anticipated.

2002-2003 Adopted Core Service Changes Total	(0.40)	(44,034)	(59,282)
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Finance Department

Core Service: Disbursements

City Service Area: Strategic Support - Finance & Technology

Core Service Purpose

To coordinate payment of the City's financial obligations.

Key Operational Services:

☐ **Accounts Payable**

☐ **Payroll**

Performance and Resource Overview

This core service is responsible for coordinating various payments for all City departments. Customers for this service include City employees, consultants, contractors and a myriad of other vendors. The objectives of this core service include accurate and timely payments to City employees and vendors as well as timely responses to requests for information. This core service supports the following Finance & Technology CSA outcome: *Systems and Processes Facilitate the Delivery of City Services to Internal and External Customers.*

Staff collects and analyzes performance data by identifying activities and outputs involved in issuing vendor payments, employee paychecks and workers' compensation claims payments. In the second year of data collection, 85% of the 344,000 invoices and other payments were paid accurately and on time. This measure has been a compilation of performance data for the following key operational services:

- Accounts Payable 60% of invoices are paid accurately and on time (within 30 days)
- Payroll 92% of paychecks/direct deposit vouchers are accurate and on time
- Workers' Compensation 99% of payments are accurate and on time

During 2001-2002, staff continued to explore options for process improvements particularly in the accounts payable and payroll operations. The percentage of invoices paid within 30 days is estimated at 60%, which is below the target of 75%. The average number of days from the date of the invoice to check issuance is expected to be 36 days, 6 days above the 30 day average target.

To ensure that departments have the requisite knowledge to correctly input invoice information into the Financial Management System, the Finance Department is preparing an accounts payable training curriculum for a course that will be offered through the city-wide training program. In addition, departments will continue to receive quarterly reports that provide a comparison of their performance in relation to the city-wide cycle time measure.

Finance Department

Core Service: Disbursements

City Service Area: Strategic Support - Finance & Technology

Performance and Resource Overview (Cont'd.)

A checking account was established in the second quarter of 2001-2002 to process refunds to customers. The turnaround time for processing refunds was reduced from approximately two weeks to one day. Although this improvement provides a higher level of customer service, the material impact on the performance measure is insignificant because the volume of refunds represents about 2% of the total number of invoices paid annually.

In Payroll Services, PeopleSoft software modifications and upgrades translated into improved efficiencies in payroll processing time. The impact of these improvements provided an opportunity to eliminate one temporary Senior Account Clerk position and therefore reduce the per check cost of providing payroll services.

As previously mentioned, the Workers' Compensation operational service will be re-aligned to the Employee Services CSA in the Employee Services Department in 2002-2003. The performance measure impact of this move will be the removal of approximately 31,000 checks issued annually from the disbursement core service statistical database. It is anticipated that this action will have no effect in meeting current and future performance targets.

In 2001-2002, the cost per invoice decreased eight percent from the previous year (from \$3.19 to \$2.94). This performance compares favorably with the 2001-2002 target of \$3.23.

Rebudgeted resources are available through the end of 2002-2003 to continue upgrading the Human Resources/Payroll System to the latest version of the software (funding is displayed in the City-wide section of this document). The investment will ensure a successful implementation and rollout of the new version. The Finance, Employee Services and Information Technology Departments are working collaboratively to ensure that the City has the ability to do the following: (1) implement additional modules in the system that will enhance the capabilities of the system, and (2) implement future upgrades that will occur every 24 to 36 months.

Performance Measure Development





Customer surveys provide the feedback needed to make service improvements. The Disbursements core service has obtained this feedback from its internal customers as part of the Finance & Technology CSA web-based survey, which was completed in the fourth quarter of 2001-2002. In May, 2002, a survey was mailed to a random sample of external customers. The resulting data indicate that 87% of customers regard disbursement services as good to excellent. This performance compares favorably with the target of 80%.


Finance Department

Core Service: Disbursements

City Service Area: Strategic Support - Finance & Technology

Performance and Resource Overview (Cont'd.)

Disbursements Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of invoices paid accurately and on time	86%	90%	85%	90%
 Cost per paid invoice	\$3.19	\$3.23	\$2.94	\$3.01
 Average number of days from invoice receipt to check issuance	36	30	36	30
 % of customers who rate disbursement services as good or excellent on a 5-point scale based on courteous and timely responses to information	94%	80%	87%	80%

Selected Operational Measures	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
 % of vendor invoices paid within 30 days	62%	75%	60%	65%

Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
Total Cost for Disbursement Services	\$1.03M	\$1.08M	\$1.01M	\$0.98M*
Total Number of Checks Issued	275,233	290,000	285,431	259,000
Total Number of Invoices Paid	322,899	335,000	344,431	335,000
- Vendor Invoices Paid	83,973	87,000	93,228	95,000
- Vendor Invoices Paid within 30 days	52,033	54,000	56,078	61,500
Total Number of Accurate Payments	277,119	285,000	293,149	259,000
Total Number of Survey Responses	207	100	100	100

Finance Department

Core Service: Disbursements

City Service Area: Strategic Support - Finance & Technology

Performance and Resource Overview (Cont'd.)

Disbursements Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	N/A	N/A	\$ 1,206,484	\$ 1,387,716	N/A
Non-Personal/Equipment	N/A	N/A	36,310	36,310	N/A
Total	\$ -	-	1,242,794	1,424,026	N/A
Authorized Positions	N/A	N/A	18.00	20.00	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of Strategic Support. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Strategic Support performance, yet are displayed elsewhere in this budget.

Finance Department

Core Service: Disbursements

City Service Area: Strategic Support - Finance & Technology

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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SYSTEMS AND PROCESSES FACILITATE THE DELIVERY OF CITY SERVICES

1. Realignment of Payroll and Utility Billing Accounting Services	2.00	181,232	181,232
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The approved realignment of financial services will consolidate and redeploy Accounting staff, allowing for a net reduction of one position and \$154,015 in savings across four core services. Utility Billing Services will be integrated into the Treasury Division in order to better use existing Treasury management and support staff.

The impact of the Payroll and Utility Billing Accounting Services realignment on the four core services is as follows. In *Financial Management*, a net reduction of 1.9 positions generated savings in the core service of \$219,440 in all funds and \$122,078 in the General Fund. The General Fund savings were lower than the total savings due to funding shifts for certain positions from the Integrated Waste Management Fund to the General Fund to reflect service delivered by these positions. In *Financial Reporting*, a net reduction of 0.4 positions resulted in savings of \$44,492, all of which occurred in the General Fund. In *Disbursements*, 2.0 positions were added for a total cost increase of \$181,232 in the General Fund. In *Strategic Support*, a net reduction of 0.7 positions resulted in savings to the General Fund of \$71,315.

In this core service, a net of 2.0 positions were added (1.0 Accountant II, 1.0 Supervising Accountant). Payroll service delivery will be enhanced by reclassifying a Senior Accountant as a Supervising Accountant and by giving the position responsibility for overseeing the payroll process. (Ongoing cost: \$181,232)

Performance Results:

Customer Satisfaction This activity integrates Utility Billing Services (UBS) within the Treasury Division, providing customers a streamlined point of contact with respect to revenue and cash collection functions. This action also redeploys existing staff in the Payroll, General Ledger and Special Accounting sections to enhance service delivery, particularly in the areas of Payroll business processing and financial reporting.

2002-2003 Adopted Core Service Changes Total	2.00	181,232	181,232
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Finance Department

Strategic Support

Strategic Support represents services provided within departments that support and guide the provision of the core services. Strategic Support within the Finance Department includes:

- | | |
|--|---|
| <input type="checkbox"/> Analytical Support | <input type="checkbox"/> Contract Administration |
| <input type="checkbox"/> Budget/Fiscal Management | <input type="checkbox"/> Computer Network Services |
| <input type="checkbox"/> Human Resources Management | <input type="checkbox"/> Administrative Support |

Performance and Resource Overview

Within the scope of Strategic Support, departmental core services are guided through planning, organizing, directing and evaluating service delivery to achieve departmental objectives. These support services ensure that programs and services are developed, implemented and enhanced in a manner consistent with City policies and procedures. In addition, Strategic Support is instrumental in the delivery of direct services to the public and in providing coordinated responses to requests for information by other departments, the City Administration and the City Council.

Due to the realignment of Workers' Compensation staff from the Finance to the Employee Services Departments, it is anticipated that the cost ratio of Strategic Support services to the Department budget will increase from 10% to 14%. A vacant Analyst position in Strategic Support was approved for elimination, which is anticipated to result in a drop in customer satisfaction from 80% to 75% and may require the decentralization of duties within the Department that would normally be administered by the Administration and Analysis Division. The elimination of the Analyst position was part of a city-wide budget balancing effort and was selected because, among alternatives remaining under consideration, this reduction was anticipated to have the least impact on customers.

Performance Measure Development






In 2002-2003, an internal customer satisfaction survey will be conducted. The survey will be a combination of a paper and web-based survey.

In 2001-2002, staff began collecting and analyzing performance data by identifying the number of training hours each employee received. In the first year of data collection, 10% of 145 employees received 40 hours of relevant training annually and 28% of the employees received 20 hours of relevant training annually. A target of 25% is projected for 2002-2003, compared with a 2001-2002 performance rate of 10%. A factor impacting performance in this area in 2001-2002 was the high vacancy rates experienced during 2001-2002. Due to workload and service demands, many staff were precluded from achieving the 40-hour training goal.

Finance Department

Strategic Support

Performance and Resource Overview (Cont'd.)

Strategic Support Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of employees receiving 40 hours of relevant training annually	-	-	10%	25%
 Ratio of strategic support services cost to total department budget	-	-	10%	12%
 % of financial transactions completed within established time guidelines	To be developed in 2002-2003			
 % of personnel transactions completed within established time guidelines	To be developed in 2002-2003			
 % of customers rating strategic support services as good or excellent on a 5-point scale based on courteous and timely responses to requests for information	-	-	80%	75%

* Includes only the number of hours of training employees receive through city-wide courses.

Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
Total Cost of Strategic Support Services	-	-	\$ 1,203,174	\$ 1,458,652
Total Department Budget	-	-	\$ 11,814,178	\$ 10,505,477
Total Number of Department Employees	-	-	145	119
Total Number of Strategic Support Employees	-	-	14	13
Total Number of Financial/Budget Transactions	To be developed in 2002-2003			
Total Number of Financial/Budget Transactions completed within established time guidelines	To be developed in 2002-2003			
Total Number of Personnel Transactions	To be developed in 2002-2003			
Total Number of Personnel Transactions completed within established time guidelines	To be developed in 2002-2003			
Total Number of Employees Receiving 40 hours of relevant training	-	-	15	30
Total Number of Training Hours Provided	-	-	2,179	2,380
Total Number of Survey Responses	-	-	75	75

Finance Department

Strategic Support

Performance and Resource Overview (Cont'd.)

Strategic Support Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Strategic Support Budget *					
Personal Services	N/A	N/A	\$ 1,604,514	\$ 1,458,652	N/A
Non-Personal/Equipment	N/A	N/A	218,950	218,950	N/A
Total	\$ -	-	1,823,464	1,677,602	N/A
Authorized Positions	N/A	N/A	15.66	13.96	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of Strategic Support. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Strategic Support performance, yet are displayed elsewhere in this budget.

Strategic Support Budget Changes

Adopted Strategic Support Changes	Positions	All Funds (\$)	General Fund (\$)
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SYSTEMS AND PROCESSES FACILITATE THE DELIVERY OF CITY SERVICES

- | | | | |
|--|--------|----------|----------|
| 1. Streamlining of Analytical Services in the Administration and Analysis Division | (1.00) | (74,547) | (74,547) |
|--|--------|----------|----------|

This action eliminates a vacant Analyst position in the Administration and Analysis Division. The position's responsibilities include monitoring and analysis of budget and personnel matters. These responsibilities will continue to be absorbed by existing staff. (Ongoing savings: \$74,547)

Performance Results:

Customer Satisfaction A small decrease in internal customer satisfaction is projected as a result of this reduction, in part because the position's responsibilities will need to be redistributed to existing staff within the Department.

Finance Department

Strategic Support

Strategic Support Budget Changes (Cont'd.)

Adopted Strategic Support Changes	Positions	All Funds (\$)	General Fund (\$)
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SYSTEMS AND PROCESSES FACILITATE THE DELIVERY OF CITY SERVICES (CONT'D.)

2. Realignment of Payroll and Utility Billing Accounting Services	(0.70)	(71,315)	(71,315)
---	--------	----------	----------

The approved realignment of financial services will consolidate and redeploy Accounting staff, allowing for a net reduction of one position and \$154,015 in savings across four core services. Utility Billing Services will be integrated into the Treasury Division in order to better use existing Treasury management and support staff.

The impact of the Payroll and Utility Billing Accounting Services realignment on the four core services is as follows. In *Financial Management*, a net reduction of 1.9 positions generated savings in the core service of \$219,440 in all funds and \$122,078 in the General Fund. The General Fund savings were lower than the total savings due to funding shifts for certain positions from the Integrated Waste Management Fund to the General Fund to reflect service delivered by these positions. In *Financial Reporting*, a net reduction of 0.4 positions resulted in savings of \$44,492, all of which occurred in the General Fund. In *Disbursements*, 2.0 positions were added for a total cost increase of \$181,232 in the General Fund. In *Strategic Support*, a net reduction of 0.7 positions resulted in savings to the General Fund of \$71,315.

In this core service, a net 0.7 position was approved for redeployment (0.25 Deputy Director and 0.45 Secretary). (Ongoing savings: \$71,315)

Performance Results:

Customer Satisfaction This activity integrates Utility Billing Services (UBS) within the Treasury Division, providing customers a streamlined point of contact with respect to revenue and cash collection functions. This action also redeploys existing staff in the Payroll, General Ledger and Special Accounting sections to enhance service delivery, particularly in the areas of Payroll business processing and financial reporting. It is expected to have no impact on Strategic Support customer satisfaction performance measure targets.

2002-2003 Adopted Strategic Support Changes Total	(1.70)	(145,862)	(145,862)
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Fire Department

Manuel Alarcon, Fire Chief

M I S S I O N

T*o serve the community by protecting life, property, and the environment through prevention and response*

Core Services

Emergency Response

Provides comprehensive life safety services to residents and visitors by responding to emergencies in San Jose's incorporated and unincorporated areas, totaling approximately 200 square miles

Fire Prevention

Educates the community to reduce injuries, loss of life, and property damage from fires and other accidents, and investigates fire cause

Fire Safety Code Compliance

Minimize loss of life and property from fires and hazardous materials releases. Provide on-site code inspections and code plan review services to the City of San Jose business community and residents in the San Jose service area, resulting in a fire and chemical-safe environment

Strategic Support: Administration, Equipment/Facilities, Information Technology, Master Planning, Multilingual Services, Safety/Wellness, and Training

Fire Department

Budget Summary

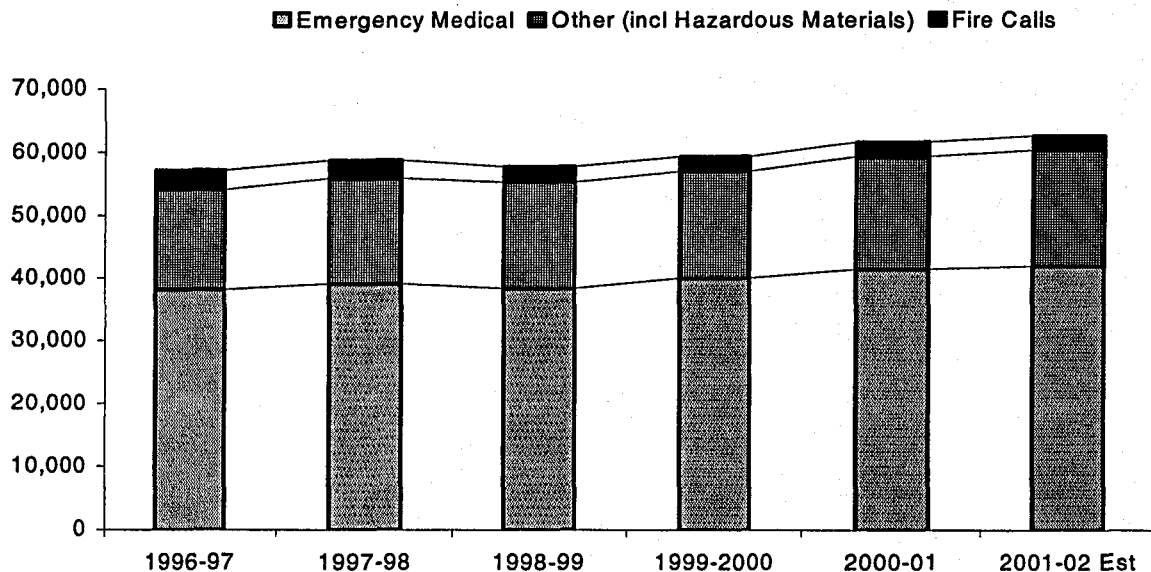
	2001-2002 Adopted	2002-2003 Adopted	Change
Authorized Positions	843.00	838.00	(0.6%)
Department Budget (All Funds)	\$ 91,389,284	\$ 108,412,526	18.6%

Budget Highlights 2002-2003

- ☐ Approval by San Jose voters in March 2002 of the "9-1-1, Fire, Police, Paramedic and Neighborhood Security Act" bond measure: bond measure proceeds will be used to improve Fire response times (projects are included in the Adopted 2003-2007 Capital Improvement Program). Addition of a Program Manager to oversee the Neighborhood Security Bond projects for the Fire Department.
- ☐ Addition of a Fire Fighter Paramedic Academy in July 2002 to complement current staffing levels.
- ☐ One-time funding for a consultant to upgrade the Prehospital Care database to monitor contacts, outcomes, and medical protocol compliance.

Budget Byte

Fire And Medical Calls Over the Last Five Years



Fire Department

Department Overview

The Fire Department mitigates life safety emergencies through code compliance, prevention and response. These core services are carried out to ensure public safety, while preserving the environment. The Department's mission and core services provide support to two City Service Areas (CSAs): Public Safety CSA and Economic and Neighborhood Development (END) CSA. The Emergency Response and Fire Prevention core services support various outcomes in the Public Safety CSA, while the Fire Safety Code Compliance core service supports the *Safe, Healthy, Attractive and Vital Community* outcome in the END CSA.

The 2002-2003 Adopted Budget for the Fire Department is significantly higher (18.6%) than the 2001-2002 Adopted Budget level. This increase is primarily the result of the inclusion of a two-year salary increase for sworn Fire personnel in this comparison.

The Fire Strategic Master Plan (Master Plan), approved by the City Council in the fall of 2001 included a detailed plan for providing adequate fire safety over the next five years. Prior to this, a number of actions were taken to address Fire Department resource needs. Reserve apparatus, tools and equipment, and rescue units (with patient transport capabilities) were added during the 2000-2001 Mid-Year Budget Review process to increase unit availability for emergency response. Funding for staff additions was included in the 2001-2002 Adopted Budget to meet the department's analytical and technological needs. Some of the central components of the Master Plan were also funded in the 2001-2002 Adopted Budget, including upgrading of seven remaining Truck/USAR companies to Advanced Life Support status, enhancing the department's information technology capabilities and broadening analytical support.

In addition, the passage of the "9-1-1, Fire, Police, Paramedic and Neighborhood Security Act" (Neighborhood Security Act Bond Measure) in March 2002 will provide the Fire Department with significant facility enhancements, improving the overall capabilities of the department. These resources will help meet many of the growth and planning issues identified in the Master Plan. A Program Manager has been added to oversee, manage, and coordinate the Fire Department's bond-related capital program.

In 2001-2002, the Fire Department underwent an internal review of core services, and determined that the previous structure of eight core services was unwieldy and unnecessarily complicated. To that end the Department streamlined its service map by combining core services to create three Core Services: Emergency Response, Fire Prevention, Fire Code Compliance, along with Strategic Support. Highlights of the Core Services are outlined below.

Emergency Response

This Core Service combines five areas previously identified as core services into a coherent and aligned single Core Service. The component operational services are Fire Suppression, Emergency Medical Services, Rescue, Hazardous Materials and Public Assist. These services all focus on the Department's mission to minimize the loss of life and property.

Several enhancements to the delivery of emergency medical services were funded in 2001-2002. The purchase of additional Thermal Imaging devices will improve life saving capabilities for both victim and responders. Automatic External Defibrillators will provide for quick response

Fire Department

Department Overview (Cont'd.)

Emergency Response (Cont'd.)

to cardiac arrests. Furthermore, to increase survivability for cardiac patients, funding was made available for the continued implementation of the Citizen CPR training program.

The Department is in the process of completing a comprehensive review of Special Operations such as hazardous materials, high-rise response, wildland response, aircraft firefighting, weapons of mass destruction and urban search and rescue. The report, anticipated to be fully underway in 2002-2003, will evaluate current service delivery levels and present recommended actions to refine emergency response needs in these specialized areas.

For 2002-2003, one-time funding has been added to allow the department to meet the challenge of filling vacancies, notably due to current and anticipated retirements and promotions, by conducting an additional Firefighter Academy in July 2002, concentrating on increasing the availability of fire fighter paramedics.

Fire Prevention

The Fire Prevention Core Service combines the previous stand alone Core Services of Fire Cause Investigation and Fire and Life Safety Education/Community Outreach. Fire prevention is accomplished through several means: the education and outreach services provided to the public, aggressive investigation of fires to determine causes, and investigation of suspicious fires, including apprehension and support of prosecution of suspected arsonists.

In 2001-2002, the addition of two training positions (one of which was grant-funded) significantly increased the outreach and education opportunities provided to the public, including the implementation of a dedicated senior safety program.

Fire Safety Code Compliance

This Core Service comprises most of the Department's Bureau of Fire Prevention. As a fee-supported Core Service, Fire Safety Code Compliance is part of the Economic and Neighborhood Development (END) City Service Area, aligned with the building and planning sections of the CSA. The Core Service's outcome is *Safe, Healthy, Attractive and Vital Community*. The 2001-2002 Adopted Operating Budget included significant increases to this Core Service, funded by continued growth in development-related activities. Several information technology improvements were funded, including the development of an imaging center shared with Planning, Building, and Code Enforcement and Public Works Departments. The department's billing system, Fire Inspection Billing System (FIBS), is being upgraded to include the capacity to service the State-mandated Certified Unified Participating Agency (CUPA) program.

As the economy and the construction market began to fall early in the 2001-2002 fiscal year, so did program revenue. As a result, a disparity between revenue and program costs became apparent. Various actions in the fee program were approved in this budget to address a 2002-2003 projected gap between revenues and expenditures of \$1.1 million: reduction of 3.8 vacant positions, a reduction in fee reserves and a 7% increase in the Fire Permit fees.

Fire Department

Department Budget Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Dollars by Core Service					
Emergency Response	N/A	N/A	\$ 90,176,009	\$ 90,065,292	N/A
Fire Prevention	N/A	N/A	871,336	823,336	N/A
Fire Safety Code Compliance	N/A	N/A	5,136,139	4,929,225	N/A
Strategic Support	N/A	N/A	12,444,737	12,594,673	N/A
Total	\$ -	\$ -	\$ 108,628,221	\$ 108,412,526	N/A
Dollars by Program					
Management & Admin.	\$ 2,666,885	\$ 2,755,140	N/A	N/A	N/A
Field Operations	74,153,792	69,363,924	N/A	N/A	N/A
Support Services	8,429,616	9,272,405	N/A	N/A	N/A
Fire Prevention	5,797,546	6,593,201	N/A	N/A	N/A
Education/Training	2,813,032	3,404,614	N/A	N/A	N/A
Total	\$ 93,860,871	\$ 91,389,284	\$ -	\$ -	N/A
Dollars by Category					
Personal Services					
Salaries/Benefits	\$ 79,303,147	\$ 77,511,484	\$ 94,511,787	\$ 93,865,332	21.1%
Overtime	8,417,841	6,496,031	7,305,212	7,614,697	17.2%
Subtotal	\$ 87,720,988	\$ 84,007,515	\$ 101,816,999	\$ 101,480,029	20.8%
Non-Personal/Equipment	6,139,883	7,381,769	6,811,222	6,932,497	(6.1%)
Total	\$ 93,860,871	\$ 91,389,284	\$ 108,628,221	\$ 108,412,526	18.6%
Dollars by Fund					
General Fund	\$ 93,860,871	\$ 91,303,011	\$ 108,537,258	\$ 108,216,632	18.5%
Capital Funds	N/A	86,273	90,963	195,894	N/A
Total	\$ 93,860,871	\$ 91,389,284	\$ 108,628,221	\$ 108,412,526	18.6%
Authorized Positions	835.00	843.00	842.00	838.00	(0.6%)

Note: The City of San Jose is in the final year of a three year transition to a Performance-Based Budget. As a main step in the process, all departments and City Council appointees identified their major lines of business or "Core Services" delivered to customers. Departmental budget sections are now presented by Core Services, rather than Programs, with performance measures and adopted budget changes detailed. For fiscal year 2002-2003 (as part of the budget transition), Program information is now only available for the display of 2000-2001 Actual and 2001-2002 Adopted Budget data.

Fire Department

Budget Reconciliation

(2001-2002 Adopted to 2002-2003 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2001-2002):	843.00	91,389,284	91,303,011
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
● Rebudget: Safety Equipment		(58,000)	(58,000)
● Rebudget: Non-personal/Equipment for Development Activities		(56,000)	(56,000)
● Rebudget: Recruit Academy		(66,500)	(66,500)
● Fire Fighter Testing		(200,000)	(200,000)
● Overtime for Development-related Activities		(200,000)	(200,000)
● Fire Inspection Billing System		(150,000)	(150,000)
● Consultant for Information Technology		(100,000)	(100,000)
● Thermal Imaging		(100,000)	(100,000)
● Automatic External Defibrillators		(50,000)	(50,000)
● Upgrade of 7 Fire Truck Companies		(48,272)	(48,272)
● Wildland Captain		(39,876)	(39,876)
● Coyote Valley Customer Service		(30,000)	(30,000)
● Mayor's Temporary Training Specialist	(1.00)	(29,633)	(29,633)
● Non-Personal for Positions Added in 2001-2002		(39,450)	(39,450)
One-Time Prior Year Expenditures Subtotal:	(1.00)	(1,167,731)	(1,167,731)
Technical Adjustments to Costs of Ongoing Activities			
● Salary/benefit changes and the following position reallocations:		17,005,145	17,000,455
- 6.0 Fire Fighters to Fire Engineers			
- 2.0 Fire Protection Engineer Asst. to Fire Protection Engineer			
● Overtime COLA		759,181	759,181
● One-time Funding to Supplement Temporary Overstaffing		250,000	250,000
● Transfer Integrated Development Tracking System to Planning, Building, Code Enforcement		(17,000)	(17,000)
● Paramedics Continuing Education		13,100	13,100
● Increase in cost and quantity of Emergency Medical Services Jackets		6,400	6,400
● Upgrade of 7 fire truck companies		6,300	6,300
● COLA adjustment for Emergency Medical Services Contractual Services		3,242	3,242
● Changes in vehicle maintenance and operations costs		245,300	245,300
● Changes in gas and electricity		135,000	135,000
Technical Adjustments Subtotal:	0.00	18,406,668	18,401,978
2002-2003 Forecast Base Budget:	842.00	108,628,221	108,537,258

Fire Department

Budget Reconciliation (Cont'd.)

(2001-2002 Adopted to 2002-2003 Adopted)

Investment/Budget Proposals Approved	Positions	All Funds (\$)	General Fund (\$)
Emergency Response			
- Fire Fighter Recruit Academy		300,000	300,000
- Neighborhood Security Bond Projects Management	1.00	104,930	0
- Fire Administrative Positions One-Time Vacancy Savings		(310,632)	(310,632)
- Redeployment of Fire Captain in Administrative Assignment		(127,515)	(127,515)
- Fire Non-Personal/Equipment Efficiency Savings		(100,000)	(100,000)
- Rebudget: Thermal Imaging Devices		22,500	22,500
Fire Emergency Response Subtotal:	1.00	(110,717)	(215,647)
Fire Prevention			
- Transfer Fire Hydrant Maintenance to Water Service Providers		(50,000)	(50,000)
- Medical Assistance Treating Toddlers Sticker Program		2,000	2,000
Fire Prevention Subtotal:	0.00	(48,000)	(48,000)
Fire Safety Code Compliance			
- Fire Fee Program	(3.00)	(375,914)	(375,914)
- Rebudget: Fire Inspection Billing System		150,000	150,000
- Rebudget: Vehicle Purchases		19,000	19,000
Fire Safety Code Compliance Subtotal:	(3.00)	(206,914)	(206,914)
Strategic Support			
- Administrative Units Efficiency Savings	(2.00)	(170,764)	(170,764)
- Changes in Vehicle Maintenance Staffing Levels		(5,000)	(5,000)
- Prehospital Care Report Database Consultant		25,000	25,000
- Fire Department Special Operations		60,000	60,000
- Rebudget: Vehicle Purchases		69,000	69,000
- Rebudget: Information Technology Services		94,700	94,700
- Rebudget: Fire Training		77,000	77,000
Strategic Support Subtotal:	(2.00)	149,936	149,936
Total Investment/Budget Proposals Approved	(4.00)	(215,695)	(320,625)
2002-2003 Adopted Budget Total	838.00	108,412,526	108,216,632

Fire Department

Core Service: Emergency Response

City Service Area: Public Safety

Core Service Purpose

Provides comprehensive life safety services to residents and visitors by responding to emergencies in San Jose's incorporated and unincorporated areas, totaling approximately 200 square miles.

Key Operational Services:

- | | |
|--|--|
| <input type="checkbox"/> Fire Suppression | <input type="checkbox"/> Rescue |
| <input type="checkbox"/> Public Assist | <input type="checkbox"/> Hazardous Materials Mitigation |
| <input type="checkbox"/> Dispatch | |

Performance and Resource Overview

The San Jose Fire Department Emergency Response Core Service is dedicated to providing comprehensive life safety services by responding to emergencies in an area of an estimated 200 square miles of incorporated land, including a major urban downtown, large surrounding neighborhoods, large commercial and manufacturing facilities, significant educational campuses and approximately 44,000 acres of wild land. The services provided are centered around four operational services. These operations are provided by 31 Engine companies, eight Truck companies and three Urban Search and Rescue (USAR) companies. In addition, they are supported by the 2001-2002 addition of three "star car" limited response medical transport units. Mitigating the broad range of emergency incidents requires several different combinations of responses ranging from a single unit response of four personnel to a multiple company incident requiring greater than 100 personnel to resolve. Organized into five battalions, the daily minimum staffing is 194 sworn personnel. The diversity of the emergencies encountered requires adequate staffing levels and requires firefighters to be highly trained in all areas of emergency response, properly equipped, and physically fit.

The 2001-2002 Adopted Budget also included the expansion of the Advanced Life Support medical program by adding paramedics to the remaining seven Truck/USAR companies, thereby increasing the department's ability to respond to medical calls, supported by the establishment of a permanent Continuous Quality Improvement program for emergency medical dispatch. The emergency medical operations were also enhanced with increased funding for additional Automatic External Defibrillators and the ongoing Citizen CPR program. These enhancements were fully implemented in 2001-2002.

The expansion of the Thermal Imaging Program was also included in the 2001-2002 Adopted Budget. These devices will allow firefighters to see in a black, smoke-filled room, enhancing the ability to rescue victims and protect firefighters. Additionally, fire suppression was bolstered with the addition of a Captain position dedicated to developing a wild land interface program to protect the large areas of the City consisting of junctions of urban and wild land protection areas. The new

Fire Department

Core Service: Emergency Response

City Service Area: Public Safety

Performance and Resource Overview (Cont'd.)

manager has produced a preliminary program design that will be reflected in a special operations report currently in development within the Department.

The passage of the "9-1-1, Fire, Police, Paramedic and Neighborhood Security Act" (Neighborhood Security Act Bond Measure) in March 2002 will provide major enhancements to emergency response capabilities of the department. Fire Department response capability will be enhanced by improving existing fire stations, moving stations to more strategic locations, and adding additional fire stations over the life of the bond. These resources will help meet many of the growth and planning issues identified in the Master Plan.

To meet the challenge of filling vacancies, notably due to retirement and promotion, funding for an additional Firefighter Academy in July 2002 is included in the 2002-2003 Adopted Budget. This addition responds to the Mayor's Budget Message to continue to be proactive about hiring safety personnel and should also result in an increase of approximately sixteen Fire Fighter Paramedics.

The Department and its CSA partners will continue to evaluate different strategies and funding sources to implement the remaining recommendations pertaining to the Emergency Response Core Service contained in the Master Plan.

In light of the City's 2002-2003 fiscal outlook, the Fire Department is including one-time cost savings from two vacant Fire Division Chief positions and ongoing savings from miscellaneous non-personal/equipment savings in this budget. These actions will have minimal impact to the current service levels. The Department will continue with its current coverage of the functions of the Division Chief with other existing staff.









Performance Measure Development

The methodology and baseline data for the measure "% of residents rating emergency response services as good or excellent based on courtesy and service" will be developed in 2002-2003.

Fire Department

Core Service: Emergency Response City Service Area: Public Safety

Performance and Resource Overview (Cont'd.)

Emergency Response Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of time fire held to area of origin	68%	70%	68%	70%
 % of responses where effects of hazardous material release is contained to area of origin at time of arrival of the Hazardous Incident Team (HIT)	99%	99%	100%	100%
 Average cost of emergency response (budget/# of emergency responses)	\$ 1,429	NEW MEASURE	\$ 1,672	\$ 1,840
 % of time the initial responding unit arrives within 8 minutes after 9-1-1 call is received	80%	80%	79%	83%
 % of time back-up response unit arrives within 10 minutes after 9-1-1 call is received	83%	80%	86%	80%
 % of time trauma patients arrive at hospital within 1 hour	-	-	TBD*	TBD*
 Average cost of EMS patient served	-	-	TBD*	TBD*
 % of residents rating Emergency Response services as good or excellent based on courtesy and service	-	NEW MEASURE	TBD*	TBD*

* Methodology to be developed and baseline data established in 2002-2003.

Fire Department

Core Service: Emergency Response City Service Area: Public Safety

Performance and Resource Overview (Cont'd.)

Emergency Response Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	N/A	N/A	\$ 88,694,525	\$ 88,663,298	N/A
Non-Personal/Equipment			1,481,484	1,401,994	N/A
Total	\$ -	-	\$ 90,176,009	\$ 90,065,292	N/A
Authorized Positions	N/A	N/A	721.10	722.10	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
------------------------------	-----------	-------------------	----------------------

THE PUBLIC FEELS SAFE ANYWHERE, ANYTIME IN SAN JOSE

- | | | |
|---------------------------------|---------|---------|
| 1. Fire Fighter Recruit Academy | 300,000 | 300,000 |
|---------------------------------|---------|---------|

This action adds a special Fire Fighter Paramedic Academy in July 2002 to balance current staffing requirements. This is in response to the Mayor's Budget Message to continue to be proactive about hiring safety personnel and is intended to increase the number of Fire Fighter Paramedics by approximately sixteen. (Ongoing cost: \$0)

Performance Results:

Cost The addition of Fire Paramedics will result in a reduction of overtime usage.

- | | | | |
|---|------|---------|---|
| 2. Neighborhood Security Bond Projects Management | 1.00 | 104,930 | 0 |
|---|------|---------|---|

In March 2002, San Jose voters approved a \$159 million "9-1-1, Fire, Police, Paramedic and Neighborhood Security Act" bond measure to improve Fire, Police, and paramedic response times and expand community policing efforts. A Program Manager position is included to oversee, manage, coordinate, and have overall responsibility for delivering the Fire Department's bond-related capital program. (Ongoing cost: \$111,007)

Performance Results:

Cost The addition of dedicated staff to oversee project status will minimize construction delays.

Fire Department

Core Service: Emergency Response

City Service Area: Public Safety

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
THE PUBLIC FEELS SAFE ANYWHERE, ANYTIME IN SAN JOSE (CONT'D.)			
3. Fire Administrative Positions One-Time Vacancy Savings		(310,632)	(310,632)
This action recognizes personal services savings from two administratively-assigned Division Chief positions. Both of the positions have been vacant since February 2002. This action will be mitigated by other current Fire administrative personnel. (Ongoing savings: \$0)			
Performance Results:			
No reduction in current service levels will result from this action.			
4. Redeployment of Fire Captain in Administrative Assignment		(127,515)	(127,515)
A Fire Captain on administrative assignment will be redeployed to the pool relief staff for direct fire service, resulting in savings in overtime expenditures. The public information duties performed by this position will be transferred to other current Fire administrative personnel. (Ongoing savings \$127,515)			
Performance Results:			
No reduction in current service levels will result from this action.			
5. Fire Non-Personal/Equipment Efficiency Savings		(100,000)	(100,000)
This action recognizes ongoing projected savings of \$100,000 from the department's non-personal/equipment budget. The department will be taking administrative actions that will allow for these cost savings and efficiencies. (Ongoing savings: \$100,000)			
Performance Results:			
No reduction in current service levels will result from this action.			
6. Rebudget: Thermal Imaging Devices		22,500	22,500
The rebudget of unexpended 2001-2002 funds will enable the Department to complete the purchase of thermal imaging devices for fire apparatus. (Ongoing cost: \$0)			
Performance Results: N/A (Final Budget Modification)			
2002-2003 Adopted Core Service Changes Total	1.00	(110,717)	(215,647)

Fire Department

Core Service: Fire Prevention

City Service Area: Public Safety

Core Service Purpose

Educates the community to reduce injuries, loss of life, and property damage from fires and other accidents, and investigates fire cause.

Key Operational Services:

☐ **Fire Cause/Investigation**

☐ **Fire and Life Safety Education/
Community Outreach**

Performance and Resource Overview

Fire Prevention is accomplished through the following actions: education and outreach services provided to the public, aggressive investigation of fires to determine causes, and investigation of suspicious fires, including apprehension and support of prosecution of suspected arsonists.

Fire Cause Investigators are sworn peace officers responsible for the detection of arson fires and the apprehension of arsonists. Fire Cause Investigators may operate undercover, carry weapons and have the same authority as a police officer. Fire Cause Investigators are routinely called upon to provide expert testimony and opinion in both criminal and civil courts. All fire reports are reviewed to classify cases for follow-up investigation. Investigation of fires determined to be accidental result in information helpful in eliminating similar hazards to the public. Those determined to be arson should be fully investigated to locate and apprehend the perpetrator. Clearances on these cases prevent further arson crimes and losses.

The goal of fire and life safety education is to provide education and informational services to the community through multiple programs. These programs include presentations during Fire Prevention Week, the Juvenile Firesetters Program, Community CPR, and Public First Aid Education. The benefits to the public include greater awareness for fire prevention through information and reduced recidivism for juvenile firesetters. Additionally, there is increased knowledge that may serve in injury and illness prevention, access to safety information and civic models for youth.

This operational service also expands community outreach through public relations, and access to information. Fire stations are utilized for bicycle licensing, voter registration applications, voting, ride-along access, direction information, and station tours. Outreach programs include smoke detectors, special event display booths, and special task teams (Honor Guard, Muster team, Shark Engine and Clown Brigade). Two training positions added in 2001-2002 contributed to expansions of the outreach program and to the implementation of a dedicated senior safety program.








Fire Department

Core Service: Fire Prevention City Service Area: Public Safety

Performance and Resource Overview (Cont'd.)

Performance Measure Development

The methodology and baseline data for the measure “% of residents rating public education programs and community outreach service as good or excellent based on courtesy and service” will be developed in 2002-2003.

Fire Prevention Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of fire loss due to arson	14%	15%	20%	15%
 % of cases where cause was determined	76%	70%	78%	70%
 % of total arson cases cleared	8%	20%	9%	20%
 % of time investigators arrived on scene of incident within 30 minutes of call for service	93%	-	96%	95%
 % of children referred to Juvenile Firesetter Program assigned to mentor within 5 days	100%	-	100%	100%
 % of Citizen CPR, Fire Aid training provided within 30 days of request	95%	-	96%	95%
 % of residents rating public education programs and community outreach service as good or excellent based on courtesy and service	-	-	TBD*	TBD*

* Methodology developed to baseline established in 2002-2003

Fire Department

Core Service: Fire Prevention

City Service Area: Public Safety

Performance and Resource Overview (Cont'd.)

Fire Prevention Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	N/A	N/A	\$ 788,980	\$ 788,980	N/A
Non-Personal/Equipment	N/A	N/A	82,356	34,356	N/A
Total	\$ -	-	\$ 871,336	\$ 823,336	N/A
Authorized Positions	N/A	N/A	6.30	6.30	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
------------------------------	-----------	-------------------	----------------------

THE PUBLIC FEELS SAFE ANYWHERE, ANYTIME IN SAN JOSE

- | | | |
|---|----------|----------|
| 1. Transfer Fire Hydrant Maintenance to Water Service Providers | (50,000) | (50,000) |
|---|----------|----------|

These savings in Fire Department supply costs will result from the transfer of fire hydrant maintenance from the Department of Transportation to City water service providers. The exact details related to ownership and responsibility for maintenance of the fire hydrants is still being worked out between the City and water service providers. The Fire Department will however continue to ensure the integrity of the water pressure and flow of the water hydrants. (Ongoing savings: \$50,000)

Performance Results:

No reduction in current service levels will result from this action.

Fire Department

Core Service: Fire Prevention

City Service Area: Public Safety

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
THE PUBLIC FEELS SAFE ANYWHERE, ANYTIME IN SAN JOSE (CONT'D.)			
2. Medical Assistance Treating Toddlers Sticker Program		2,000	2,000
This action provides funding to supplement the Fire Department's current public education and safety outreach efforts. The Medical Assistance Treating Toddlers (MATT) sticker program assists emergency medical personnel in obtaining vital information about young children involved in automobile accidents. (Ongoing cost: \$2,000)			
Performance Results: N/A (Final Budget Modification)			
2002-2003 Adopted Core Service Changes Total	0.00	(48,000)	(48,000)

Fire Department

Core Service: Fire Safety Code Compliance *City Service Area: Economic and Neighborhood Development*

Core Service Purpose

Minimize loss of life and property from fires and hazardous materials releases. Provide on-site code inspections and code plan review services to the City of San Jose business community and residents in the San Jose service area, resulting in a fire and chemical safe environment.

Key Operational Services:

- ☐ Engineering
- ☐ Special and Permitted Occupancies
- ☐ Hazardous Materials

Performance and Resource Overview

The Fire Safety Code Compliance core service is composed of three operational services: Permitted/Special Occupancy, Engineering and Hazardous Materials. Each operational service performs various tasks including inspections, plan reviews and investigations. These three services are quite distinct due to their detailed focus and technical differences.

The State mandates that the Fire Department's Bureau of Fire Prevention perform specific types of inspections on an annual basis. These include, but are not limited to, high-rise buildings, board-and-care facilities, place-of-assembly occupancies, and facilities with underground fuel tanks. Also, at a minimum, all businesses required to file a State Hazardous Materials Business Plan should be inspected every three years. The City-adopted Uniform Fire Code also requires inspections of all new and tenant-improvement construction related to fire and life safety. Site inspections prior to construction are required to ensure adequate water supply and fire apparatus access. Likewise, all permitted activities are to be inspected to verify code compliance.









The goal of Fire Safety Code Compliance is to ensure that the customer understands the fire code requirements. This goal is attained through customer education during the inspection process and through plan review consultations. In cooperation with the Planning, Building and Code Enforcement Department and the Public Works Department, there is an ongoing effort to streamline the permitting and plan checking process.

In order to close the gap between projected revenues and budgeted expenditures, this budget includes a series of cost reduction actions, including elimination of vacant fee-related positions, as well as the adjustment of the schedule of fees and a reduction in the existing fee reserve level.

Fire Department

Core Service: Fire Safety Code Compliance
City Service Area: Economic and Neighborhood Development

Performance and Resource Overview (Cont'd.)

Fire Safety Code Compliance Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of signed off inspections/number of inspections performed	TBD	80%	75%	80%
 % of projects that receive thorough, complete and consistent processing in the first cycle of the staff review process - Fire Plan Check - Inspections		NEW MEASURE	85%	90%
 % of inspection sites in compliance within 2 inspections	96%	80%	97%	80%
 % of Fire Department inspection cards requested/responded to in 3 days	97%	100%	100%	100%
 Ratio of estimated current year fee revenue to fee program cost	89%	NEW MEASURE	86%	84%
 Selected cycle time measure for Development services: - Fire Plan Check processing targets met * - Fire inspections within 24 hours	- -	90% 85%	99% 100%	90% 85%
 % of time complaint investigations initiated within 4 working days	79%	100%	100%	100%
 % of Development process participants rating service as good or excellent	-	-	TBD	TBD**

* Targets are 2 to 6 weeks depending on size of project

** Survey being developed and baseline available 2002-2003

Fire Department

Core Service: Fire Safety Code Compliance
City Service Area: Economic and Neighborhood Development

Performance and Resource Overview (Cont'd.)

Fire Safety Code Compliance Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	N/A	N/A	\$ 4,804,026	\$ 4,527,607	N/A
Non-Personal/Equipment	N/A	N/A	332,113	401,618	N/A
Total	\$ -	-	\$ 5,136,139	\$ 4,929,225	N/A
Authorized Positions	N/A	N/A	42.50	39.50	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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SAFE, HEALTHY, ATTRACTIVE AND VITAL COMMUNITY

1. Fire Fee Program (3.00) (375,914) (375,914)

In order to address a gap between revenues and expenditures of \$1.1 million, which has occurred due to the significant fall off in construction in the City, while aligning staffing levels with customer service demands in the Fire Fee Program, various actions are included in this budget. These actions include: the elimination of 3.0 positions, including 1.0 Hazardous Materials Program Manager, 1.0 Fire Protection Engineer, and 1.0 Fire Prevention Inspector; fee increases averaging 7%; and use of a portion of the existing fee reserve (\$257,000). (Ongoing savings: \$477,318)

Performance Results:

Cycle Time Reduces resources to match projected workload while achieving agreed upon response times and minimizing any unnecessary delays.

Fire Department

Core Service: Fire Safety Code Compliance
City Service Area: Economic and Neighborhood Development

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
SAFE, HEALTHY, ATTRACTIVE AND VITAL COMMUNITY (CONT'D.)			
2. Rebudget: Fire Inspection Billing System		150,000	150,000
The rebudget of unexpended 2001-2002 funds will enable the Department to complete the replacement of the Fire Inspection Billing System. (Ongoing cost: \$0)			
Performance Results: N/A (Final Budget Modification)			
3. Rebudget: Vehicle Purchases		19,000	19,000
The rebudget of unexpended 2001-2002 funds will allow for the purchase of a vehicle in the engineering division in the Bureau of Fire Prevention. (Ongoing cost: \$0)			
Performance Results: N/A (Final Budget Modification)			
2002-2003 Adopted Core Service Changes Total	(3.00)	(206,914)	(206,914)

Fire Department

Strategic Support

Strategic Support represents services provided within the Fire Department that support and guide the provision of the core services.

Strategic Support within the Fire Department includes:

- | | |
|--|---|
| <input type="checkbox"/> Administration | <input type="checkbox"/> Multilingual Services |
| <input type="checkbox"/> Equipment/Facilities | <input type="checkbox"/> Safety/Wellness |
| <input type="checkbox"/> Information Technology | <input type="checkbox"/> Training |
| <input type="checkbox"/> Master Planning | |

Performance and Resource Overview

The recently-completed Fire Strategic Master Plan recognized Strategic Support as a critical component of meeting the ongoing needs of the Department. The 2001-2002 Adopted Budget included improvements to response times and staff additions to enhance the Department's technological and analytical capabilities.

The passage of the "9-1-1, Fire, Police, Paramedic and Neighborhood Security Act" (Neighborhood Security Act Bond Measure) in March 2002 provides funding to renovate the Fire Training Center. The estimated completion date for the Center is October 2006. This project is included in the Adopted 2003-2007 Capital Improvement Program.

The 2002-2003 Adopted Budget also includes funding to develop an automated Prehospital Care Report (PCR) database for the Emergency Medical Services operational service level. Additionally, the budget includes overtime funding for the enhancement of training for the Fire Department's Special Operations program. The enhanced training for the Special Operations teams, including Hazardous Incident, Airport, and Urban Search and Rescue (USAR), will help ensure the Department's preparedness to act in the case of an attack or other catastrophic event in San Jose.

In view of the economic outlook for 2002-2003, the Adopted Budget includes various cost-saving measures. In addition to reductions and efficiencies in the Emergency Response core service, the reduction of two vacant positions in administrative units is also included. As these positions have been vacant for some time, it is expected that this reduction will have no significant impact on current service levels.

Fire Department

Strategic Support

Performance and Resource Overview (Cont'd.)

Strategic Support Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Strategic Support Budget *					
Personal Services	N/A	N/A	\$ 7,529,467	\$ 7,500,143	N/A
Non-Personal/Equipment	N/A	N/A	4,915,269	5,094,529	N/A
Total	\$ -	-	\$ 12,444,737	\$ 12,594,673	N/A
Authorized Positions	N/A	N/A	72.10	70.10	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of Strategic Support. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Strategic Support performance, yet are displayed elsewhere in this budget.

Strategic Support Budget Changes

Adopted Strategic Support Changes	Positions	All Funds (\$)	General Fund (\$)
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THE PUBLIC FEELS SAFE ANYWHERE, ANYTIME IN SAN JOSE

1. Administrative Units Efficiency Savings	(2.00)	(170,764)	(170,764)
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Included in the budget is the reduction of vacant positions in Management and Administration (Administrative Officer) and Fire Prevention (Principal Office Specialist) programs. These positions have either been vacant or never filled and no impact on service delivery levels is expected as existing staff will continue to absorb the associated workload. (Ongoing savings: \$125,111)

Performance Results:

No reduction in current service levels will result from this action.

Fire Department

Strategic Support

Strategic Support Budget Changes (Cont'd.)

Adopted Strategic Support Changes	Positions	All Funds (\$)	General Fund (\$)
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THE PUBLIC FEELS SAFE ANYWHERE, ANYTIME IN SAN JOSE (CONT'D.)

- | | | | |
|---|--|---------|---------|
| 2. Changes in Vehicle Maintenance Staffing Levels | | (5,000) | (5,000) |
|---|--|---------|---------|

This savings results from an increase in the vacancy factor for General Services vehicle maintenance staffing. This will generate savings of \$5,000 in the Fire Department and will reflect a likely downsizing of the fleet resulting from an audit currently in progress of the vehicle program. General Services Department will mitigate the reduction by managing its vacancies and determining which vacancies are critical to be filled, redeploying resources to key positions and reducing or eliminating less critical services. (Ongoing savings: \$5,000)

Performance Results:

Cycle Time: If the fleet is not downsized, reduction in Fleet staffing level will cause cycle times for preventative maintenance and minor repairs to increase. Service levels and availability of fleet will remain the same for emergency vehicles.

- | | | | |
|--|--|--------|--------|
| 3. Prehospital Care Report Database Consultant | | 25,000 | 25,000 |
|--|--|--------|--------|

This action provides funding for consultant services to upgrade the Department's Prehospital Care Report (PCR) database. The upgrade will monitor patient contacts, outcomes, system utilization, and evaluate medical protocol compliance. (Ongoing cost: \$0)

Performance Results:

Cycle Time: Requests for PCR data and reports will be processed in a shorter time than in the current system.

- | | | | |
|---------------------------------------|--|--------|--------|
| 4. Fire Department Special Operations | | 60,000 | 60,000 |
|---------------------------------------|--|--------|--------|

This action provides funding for overtime training for the enhancement of the Special Operations program in the Fire Department that includes Hazardous Incident Team, Urban Search and Rescue, and Airport. This program will ensure the Department's preparedness to act in the case of an attack or other catastrophic event in San Jose. (Ongoing cost: \$60,000)

Performance Results: N/A (Final Budget Modification)

- | | | | |
|--------------------------------|--|--------|--------|
| 5. Rebudget: Vehicle Purchases | | 69,000 | 69,000 |
|--------------------------------|--|--------|--------|

The rebudget of unexpended 2001-2002 funds will allow for the purchase of vehicles for the Public Education program and the Recruit Academy. (Ongoing cost: \$0)

Performance Results: N/A (Final Budget Modification)

Fire Department

Strategic Support

Strategic Support Budget Changes (Cont'd.)

Adopted Strategic Support Changes	Positions	All Funds (\$)	General Fund (\$)
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THE PUBLIC FEELS SAFE ANYWHERE, ANYTIME IN SAN JOSE (CONT'D.)

6. Rebudget: Information Technology Services 94,700 94,700

This action rebudgets unexpended 2001-2002 funds, allowing the Department to complete systems development/programming services in 2002-2003. (Ongoing cost: \$0)

Performance Results: N/A (Final Budget Modification)

7. Rebudget: Fire Training 77,000 77,000

In the continuation of the Fire Department's 12-Lead Defibrillator training, the rebudget of unexpended 2001-2002 funds will allow the Department to complete the training's final phase. The training prepares the paramedics to gain more information about the status of the heart from the defibrillator and enables them to take more appropriate and effective action at cardiac scenes in preparation of the arrival of a patient to the emergency room. (Ongoing cost: \$0)

Performance Results: N/A (Final Budget Modification)

2002-2003 Adopted Strategic Support Changes Total	(2.00)	149,936	149,936
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General Services Department

Jose Obregon, Director

M I S S I O N

T*o proactively partner with customers, enabling the delivery of their services.*

Core Services

Facilities Management

Provide safe, efficient, comfortable, attractive and functional buildings and facilities

Fleet & Equipment Services

Manage operations which provide a safe and reliable fleet of vehicles and equipment

Parks & Civic Grounds Management

Provide a safe, functional and aesthetically pleasing parks system

Purchasing

To purchase quality products and services in a cost-effective manner

Materials Management

To provide quality products and services in a cost-effective manner

Strategic Support: Network/Computer Systems Management, Budget/Fiscal Management, Programmatic/Administrative Support, Strategic Planning/Leadership, Property Management

General Services Department

Budget Summary

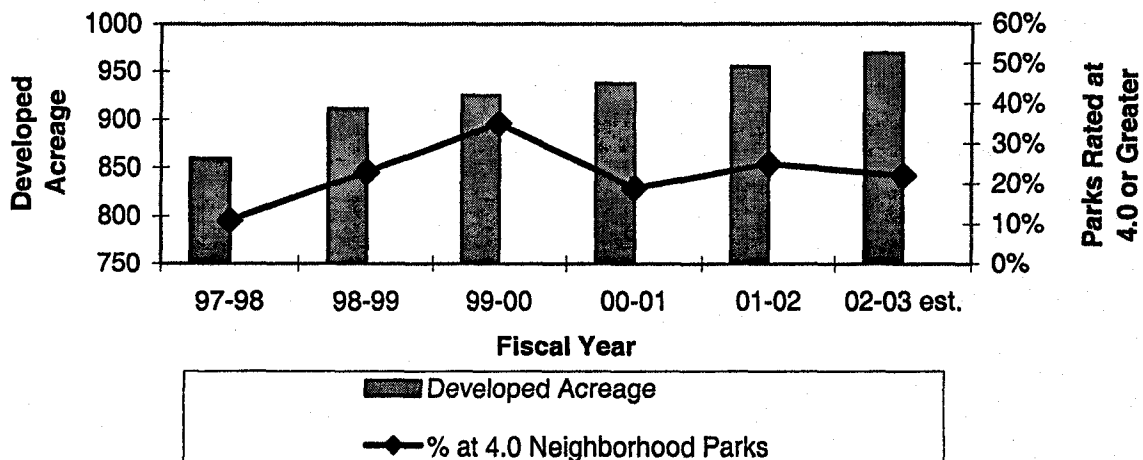
	2001-2002 Adopted	2002-2003 Adopted	Change
Authorized Positions	380.50	384.50	1.1%
Department Budget (All Funds)	\$ 39,955,043	\$ 41,493,967	3.9%

Budget Highlights 2002-2003

- ❑ A total of \$2.5 million in General Fund savings is achieved by reducing the general fleet replacement base budget, from \$2.5 million to \$1.25 million, and utilizing ending fund balance in the Vehicle Maintenance and Operations Fund to fund general fleet replacements.
- ❑ Additional resources are approved to provide maintenance for the West Valley Branch Library expansion.
- ❑ Additional resources for three of 21 new park facilities/enhancements are approved. Maintenance of five park facilities and 13 enhancements will be absorbed with existing resources in 2002-2003.

Budget yte

Neighborhood Park Maintenance History



General Services Department

Department Overview

The General Services Department is committed to providing quality services that assist the City organization in successfully meeting the needs of the community. The Department's vision, mission and core values are focused on implementing and incorporating the City's quality of life vision components: neighborhood pride, safe communities, customer-driven government, a clean and sustainable environment, personal growth and enrichment, safe and efficient transportation choices, and a competitive business environment.

As an integral part of the City Facilities and Equipment (CF&E) City Service Area (CSA), General Services contributes to two of the three CF&E CSA outcomes: *Clean, Safe and Functional Facilities*, and *Appropriate and Available Equipment*.

General Services is also a partner in the Recreation and Cultural Services CSA and contributes to that CSA's outcome to provide *Safe and Clean Parks, Facilities and Attractions*. General Services is a partner in the Finance and Technology CSA and contributes to that CSA's outcome to provide *Systems and Processes that Facilitate the Delivery of City Services*.

In 2002-2003, responsibility for the Property Management Section of the Public Works Department will be transferred to the General Services Department. This reorganization is intended to enhance property management capabilities and align operational services within a more appropriate department.

In 2002-2003, General Services is faced with the need to reevaluate its business practices. The service delivery challenges the department faces are maintaining an increasing infrastructure of facilities and parks, and managing an aging fleet. Reduced resource levels, resulting from the impact of the

economic downturn, has led the department to focus on operating strategies that include: 1) sustaining effective maintenance service levels by maximizing current resources; 2) seeking cost savings and alternate funding opportunities to reduce operating costs; and 3) as a last resort, service level reductions.

As new business practices are fine tuned, adjustments will be made as needed to ensure reliability, timeliness and good quality. Although the department anticipates mitigating the loss of resources and the impact on performance levels, this effort will be more difficult in future years.

The operating strategies outlined above adhere to Council approved criteria for resource allocations by re-examining operational efficiencies, thus mitigating the negative impacts to essential community services. Additionally, the department strives to emphasize Council priorities, such as the Strong Neighborhoods Initiative. The necessary budget changes may result in increased cycle times in some cases; however, the department is committed to providing quality service to its customers.

Facilities Management

The purpose of this core service is to provide safe, efficient, comfortable, attractive, and functional buildings and facilities. The actions approved for this core service are designed to achieve operational savings while minimally impacting the delivery of service.

For 2002-2003, the Facilities Management budget includes a combination of budget reductions, redeployments and augmentations. Contracted custodial services will be reduced at Service Yard facilities, which have minimal public contact, by 39%. Other changes in the core service include the elimination of an

General Services Department

Department Overview (Cont'd.)

Facilities Management (Cont'd.)

Office Specialist position and an Electrician. These changes will be addressed by redeploying custodial services to areas of the greatest need and by shifting workload assignments to mitigate the loss of resources. An augmentation was approved for custodial and preventive maintenance costs associated with the West Valley Branch Library expansion. This will allow West Valley Library to be maintained at a standard consistent with other libraries.

Fleet and Equipment Services

This core service manages operations that provide a safe and reliable fleet of vehicles and equipment. The greatest challenges that this core service faces are 1) to identify an optimum fleet size; 2) to establish viable utilization standards; and 3) to establish replacement criteria while maximizing vehicle availability for clients in other CSAs. The current vehicle replacement criteria are being reviewed to incorporate a number of new components. The fleet size is also being reviewed and steps to achieve the optimum fleet size will be the goal for 2002-2003.

In anticipation of the likely downsizing of the fleet, changes were approved for the vehicle maintenance staffing levels. A budget reduction was approved for general vehicle replacement as described in the General Fund Capital, Transfers, Reserves section of this document. As a result of a recent review of the current vehicle replacement policy and schedule by the City Auditor and the Department, and a review of the size of the Vehicle Maintenance and Operations Fund's fund balance, it has been determined that General Fund general fleet replacement costs can be significantly reduced for the next several years from the currently budgeted level of \$2.5 million to \$1.25 million. Thus, the annual

transfer from the General Fund for general fleet replacement was approved to be eliminated for the next three years. Fund balance will be utilized instead to fund general fleet replacements.

Parks and Civic Grounds Management

This core service provides safe, functional and an aesthetically pleasing park system through maintenance operations. The most critical challenge faced by this core service is maintaining an acceptable base level of service for an increasing parks infrastructure.

Funding has been approved to provide ongoing maintenance for the 13.6 new neighborhood park acres coming online during 2002-2003. Included in the new acreage are eight new parks and 13 enhancements. Budget augmentations will enable the core service to maintain the current target of parks rated as good or better, as well as maintain the current customer satisfaction level.

Purchasing

The Purchasing core service procures quality products and services in a cost-effective manner by conducting competitive processes, researching new vendors and products, and managing city-wide open purchase orders.

Purchasing is working with its partners in the Finance and Technology CSA to streamline procedures and to expand efficiencies. Developing an implementation plan for the Environmentally Preferable Procurement Policy is a project for 2002-2003. Although budget constraints preclude the acquisition of a software system for procurement at this time, buyers and support staff continue to work with City departments to make processes more effective and user-friendly. Purchasing staff is expanding education efforts by offering department-

General Services Department

Department Overview (Cont'd.)

Purchasing (Cont'd.)

specific procurement classes as well as developing new materials that will help Council and City staff assist an interested business to enroll as a potential vendor.

Materials Management

Materials Management provides quality products and services in a cost-effective manner. Central Services (Surplus, Moving, Copying, Mailing and Recycling), Records Services and Warehouse Services are the operational services performed or managed by Materials Management staff.

In 2002-2003, Warehouse Services will complete implementation of the automated warehouse system and expand the system to satellite warehouses operated by Environmental Services Department and the Airport Department. Goals for the Central Services staff in 2002-2003 include the successful outsourcing of the copy and mailing functions as well as preparation of training materials to assist department staff

with moving and surplus activities. The city-wide Records and Information Management project was completed in 2001-2002. For 2002-2003, Records Services staff will assist departments with the implementation of retention scheduling and will provide training on how to use the retention schedule effectively. Emphasis will also be placed on the development and management of City electronic records.

Budget changes include elimination of two positions. By outsourcing copying services, no service level impact is expected from the elimination of the Senior Offset Press Operator position. Elimination of a Warehouse Worker position will not result in decreased frequencies of interdepartmental mail service due to the position being vacant for more than a year. Overall, the 2002-2003 performance measure "% of customers who rate the service Materials Management provides as good or better based on quality, timeliness and cost" is targeted to be in the 95th percentile.

General Services Department

Department Budget Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Dollars by Core Service					
Facilities Management	N/A	N/A	\$ 13,098,940	\$ 12,779,609	N/A
Fleet & Equipment Services	N/A	N/A	15,671,840	15,346,840	N/A
Parks & Civic Grounds Management	N/A	N/A	244,173	244,173	N/A
Purchasing	N/A	N/A	1,238,387	1,255,387	N/A
Materials Management	N/A	N/A	1,569,695	1,456,804	N/A
Strategic Support	N/A	N/A	10,456,140	10,411,154	N/A
Total	\$ -	\$ -	\$ 42,279,175	\$ 41,493,967	N/A
Dollars by Program					
Management & Admin.	\$ 711,023	\$ 836,946	N/A	N/A	N/A
Building Management	18,227,830	21,056,253	N/A	N/A	N/A
Purchasing/Central Services	1,926,064	2,040,441	N/A	N/A	N/A
Parks Maintenance *	184,782	231,728	N/A	N/A	N/A
Stores Operations	822,983	864,908	N/A	N/A	N/A
Fleet Management	14,095,820	14,924,767	N/A	N/A	N/A
Total	\$ 35,968,502	\$ 39,955,043	\$ -	\$ -	N/A
Dollars by Category					
Personal Services					
Salaries/Benefits	\$ 13,841,735	\$ 15,328,978	\$ 17,090,929	\$ 16,491,631	7.6%
Overtime	566,561	309,506	328,076	328,076	6.0%
Subtotal	\$ 14,408,296	\$ 15,638,484	\$ 17,419,005	\$ 16,819,707	7.6%
Non-Personal/Equipment Inventory	16,209,264	18,559,061	19,040,093	18,924,183	2.0%
	5,350,942	5,757,498	5,820,077	5,750,077	(0.1%)
Total	\$ 35,968,502	\$ 39,955,043	\$ 42,279,175	\$ 41,493,967	3.9%
Dollars by Fund					
General Fund	\$ 18,920,145	\$ 20,781,651	\$ 22,372,160	\$ 21,813,719	5.0%
Airport Maint & Opers	37,164	52,040	57,744	57,744	11.0%
Conv & Cultural Affairs	104,143	182,863	140,662	210,660	15.2%
General Purpose Pkg	46,796	111,672	113,937	113,937	2.0%
Integrated Waste Mgmt	811,312	1,012,320	1,042,060	1,042,060	2.9%
Sewer Svc & Use Charge	30,172	223,372	220,857	220,857	(1.1%)
Stores	822,983	864,908	914,112	849,948	(1.7%)
Storm Sewer Operating	32,957	45,661	45,500	45,500	(0.4%)
Treatment Plant Oper	544,841	723,443	743,856	743,856	2.8%
Vehicle Maint & Opers	14,095,820	14,924,767	15,671,840	15,346,840	2.8%
Water Utility	26,458	54,683	55,657	55,657	1.8%
Capital Funds	495,711	977,663	900,790	993,189	1.6%
Total	\$ 35,968,502	\$ 39,955,043	\$ 42,279,175	\$ 41,493,967	3.9%
Authorized Positions	368.50	380.50	387.50	384.50	1.1%

General Services Department

Department Budget Summary (Cont'd.)

Note: The City of San Jose is in the final year of a three year transition to a Performance-Based Budget. As a main step in the process, all departments and City Council appointees identified their major lines of business or "Core Services" delivered to customers. Departmental budget sections are now presented by Core Services, rather than Programs, with performance measures and adopted budget changes detailed. For fiscal year 2002-2003 (as part of the budget transition), Program information is now only available for the display of 2000-2001 Actual and 2001-2002 Adopted Budget data.

- * Parks Maintenance funding displayed in the General Services Department section of this document represents funds for landscape maintenance services at the Water Pollution Control Plant as approved by City Council in 1998-1999. Basic park maintenance continues to be provided by the General Services Department and funded in the Department of Parks, Recreation and Neighborhood Services budget in the Community Services section of this document.

General Services Department

Budget Reconciliation

(2001-2002 Adopted to 2002-2003 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2001-2002):	380.50	39,955,043	20,781,651
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
● Rebudget: Energy Conservation & Neighborhood Beautification		(300,000)	(300,000)
● Rebudget: e Commerce & Records Management		(201,500)	(201,500)
● Rebudget: Tenant Improvements		(146,999)	0
● Non-personal/Equipment funding for Special Funded Positions		(209,444)	0
● Fuel Sentries		(77,800)	0
● Arena Cleaning		(30,000)	(30,000)
One-time Prior Year Expenditures Subtotal:	0.00	(965,743)	(531,500)
Technical Adjustments to Costs of Ongoing Activities			
● Salary/benefit changes and the following position reallocations:		1,254,050	460,056
- 1.0 Associate Mechanical Engineer to Program Manager			
- 1.0 Central Procurement Manager to Division Manager			
- 1.0 Records Clerk to Warehouse Worker			
- 2.0 Terminal Operators to Sr. Office Specialists			
- 1.0 Word Processor to Sr. Office Specialist			
- Conversion of contractual funding in Building Management to create 1.0 Sr. Air Conditioning, Mechanic and 2.0 Maintenance Workers	3.00		
● Transfer to Library for custodial services		(54,000)	(54,000)
● Transfer police board-ups activity to Police Department		(47,600)	(47,600)
● Increase for rent		1,046,943	926,124
● Transfer Property Management Program from Public Works	3.00	318,744	318,744
● Annualization for new vehicles		81,056	0
● Transfer capital funded position from Public Works for Buildings Project Specialist	1.00	72,543	0
● Increase for custodial services		64,556	63,486
● Increase in inventory to reflect latest fuel, consumption and parts costs		62,579	0
● Changes in electricity and gas costs		425,000	425,000
● Changes in overhead costs		35,705	0
● Changes in vehicle maintenance and operations costs		30,300	30,200
Technical Adjustments Subtotal:	7.00	3,289,876	2,122,010
2002-2003 Forecast Base Budget:	387.50	42,279,175	22,372,160

General Services Department

Budget Reconciliation (Cont'd.)

(2001-2002 Adopted to 2002-2003 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Investment/Budget Proposals Approved			
Facilities Management			
- Facilities Management Contractual Services		(163,005)	(163,005)
- Streamlining Facilities Management	(2.00)	(124,326)	(216,726)
- Changes in Vehicle Maintenance Staffing Levels		(32,000)	(32,000)
Facilities Management Subtotal:	(2.00)	(319,331)	(411,731)
Fleet and Equipment Services			
- Changes in Vehicle Maintenance Staffing Levels		(325,000)	0
Fleet and Equipment Services Subtotal:	0.00	(325,000)	0
Parks and Civic Grounds Management			
- Maintenance for New Parks and Facilities	3.00	0	0
- Efficiency Savings in Parks Maintenance		0	0
- Changes in Vehicle Maintenance Staffing Levels		0	0
Parks and Civic Grounds Management Subtotal:	3.00	0	0
Purchasing			
- Rebudget: Columbus Statue Repairs		17,000	17,000
Strategic Support Subtotal:	0.00	17,000	17,000
Materials Management			
- Outsourcing Copy Services in Materials Management	(1.00)	(64,165)	0
- Streamlining Warehouse Services	(1.00)	(48,725)	(48,725)
Materials Management Subtotal:	(2.00)	(112,890)	(48,725)
Strategic Support			
- Streamlining Strategic Support Services	(2.00)	(114,985)	(114,985)
- Rent Adjustment		69,998	0
Strategic Support Subtotal:	(2.00)	(44,987)	(114,985)
Total Investment/Budget Proposals Approved	(3.00)	(785,208)	(558,441)
2002-2003 Adopted Budget Total	384.50	41,493,967	21,813,719

* Parks Maintenance funding displayed in the General Services Department section of this document represents funds for landscape maintenance services at the Water Pollution Control Plant as approved by City Council in 1998-1999. Basic park maintenance continues to be provided by the General Services Department and funded in the Department of Parks, Recreation and Neighborhood Services budget in the Community Services section of this document.

General Services Department

Core Service: Facilities Management

City Service Area: Strategic Support - City Facilities and Equipment

Core Service Purpose

Provide safe, efficient, comfortable, attractive and functional buildings and facilities.

Key Operational Services:

- | | |
|---|--|
| <input type="checkbox"/> Facilities Maintenance Services | <input type="checkbox"/> Technical Services |
| <input type="checkbox"/> Facilities Improvement Services | <input type="checkbox"/> Graffiti Abatement |
| <input type="checkbox"/> Special Event Support Services | |

Performance and Resource Overview

Facilities Management is responsible for maintaining the City's building infrastructure. By providing preventative and corrective maintenance and by implementing improvements, infrastructure needs are addressed. This core service contributes to the following City Facilities and Equipment (CF&E) CSA outcome: *Clean, Safe and Functional Facilities*. Facilities Management supports the CSA outcome by striving to ensure that all of the City's facilities meet the following criteria:

- Safe to occupy, operate and use
- Functional to the operations supported and to the needs of the customers served
- Efficient building components and systems
- Attractive to the public and the surrounding neighborhoods
- Comfortable for the occupants and users

Facilities Management is focused on providing well-maintained facilities that meet customer needs. Current resources are deployed to maintain a basic level of service and to respond to emergencies. As resources allow or as priorities dictate, enhancements are implemented to improve the level of service provided.

General Services strives to maintain the current service level to all new facilities without reducing the service level to existing ones. Additional funding for custodial and preventive maintenance was approved for West Valley Branch Library expansion which is scheduled to come on-line in 2002-2003. This funding will allow for the extension of the current facility maintenance and custodial service levels to the expanded facility. Custodial service levels were approved to be reduced at the five Service Yards (Central Service Yard, Main Yard, West Yard, Mabury Yard and South Yard).

General Services Department

Core Service: Facilities Management

City Service Area: Strategic Support - City Facilities and Equipment

Performance and Resource Overview (Cont'd.)

The Service Yard facilities house City staff and are not publicly accessed facilities. Due to the current economic conditions and the need to achieve operational savings, the Service Yards have been targeted as an opportunity for contract custodial service level reductions that will not directly impact the service levels provided to the residents of the City of San Jose. City staff occupying the facilities will be asked to be responsible for maintaining individual workspaces, while contract custodial staff will continue to provide the most basic services in centralized locations.

Adjustments in staffing levels were approved to address areas of higher priority needs and to achieve operational savings. The number of capital improvement projects in the Contract Management section has been steadily increasing, thus staffing changes are needed. A capital funded position in the Public Works Department was redeployed to General Services to provide dedicated support for minor capital projects and funding for a Senior Construction Inspector was shifted from General Fund to be capital funded. Three positions, a Senior Air Conditioning Mechanic and two Maintenance Workers, were also added. These positions were funded at no extra cost by redeployment of non-personal/equipment resources. The additional positions provide service improvements in monitoring air conditioning services and complete more minor semi-skilled work requests in-house. Two vacant General Funded positions, an Office Specialist and an Electrician, were approved to be eliminated in this Budget.

Improving condition ratings of the facilities is a major challenge facing Facilities Management and will require the allocation of additional funds to replace or renew capital needs such as painting, roofing, electrical upgrades, and structural and mechanical system improvements. With the passage of general obligation bond measures for library, parks and public safety, the capital improvement needs of these facilities will be significantly impacted. Facilities Management will continue to work with client departments with capital funding to allocate additional funds to address deferred maintenance needs. It is anticipated that through these cooperative efforts, Facilities Management will be able to improve the performance measure "% of facilities with a condition assessment rating of very good to excellent." The 2002-2003 target increased by 6% from the 2001-2002 estimated level of 19% based upon the projects scheduled for completion in 2002-2003.

The performance measure "% of non-health and safety work completed within time standards" target in 2001-2002 is 84%. The core service estimates that this performance measure will end the year at 77%. As a result of September 11, 2001 attacks, priorities were placed on developing and implementing security improvements. The security improvement efforts still continue, however, they are no longer requiring intense levels of resources as in 2001-2002. Thus Facilities Management expects that the performance measure will increase to the 82% level next fiscal year.

General Services Department








Core Service: Facilities Management

City Service Area: Strategic Support - City Facilities and Equipment

Performance and Resource Overview (Cont'd.)

Performance Measure Development

The baseline data for “% of roofs, paint, mechanical systems and flooring replaced within its serviceable life” has not yet been established. Facilities Management is in the process of implementing a new Computerized Maintenance Management System (CMMS) and part of this implementation process includes compiling, updating and tracking this performance measure. This new system should be fully operational in 2002-2003.

Facilities Management Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of facilities with a condition assessment rating of very good to excellent	10%	20%	19%	25%
 Cost of maintenance/total square feet to be maintained	\$5.90	\$5.15	\$5.52	\$5.90
 % of health and safety concerns addressed within 24 hours	82%	100%	100%	100%
 % of non-health and safety work completed within time standards	82%	84%	77%	82%
 % of roofs, paint, mechanical systems and flooring replaced within its serviceable life	-	-	TBD*	TBD*
 % of customers who rate our service as very good or excellent	91%	90%	90%	85%
 % of public who rate our publicly accessed buildings as very good or excellent	57%	65%	63%	65%

* See Performance Measure Development section

Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
Total # of corrective work orders completed	6,616	7,000	6,932	7,000
Total # of preventive work orders completed	5,233	5,800	4,032	4,600
New square footage added during the period	23,120	10,860	10,860	19,194
Total square footage maintained	1.747M	1.76M	1.76M	1.78M

General Services Department

Core Service: Facilities Management

City Service Area: Strategic Support - City Facilities and Equipment

Performance and Resource Overview (Cont'd.)

Facilities Management Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	N/A	N/A	\$ 6,995,043	\$ 6,870,717	N/A
Non-Personal/Equipment	N/A	N/A	6,103,897	5,908,892	N/A
Total	\$ -	\$ -	\$ 13,098,940	\$ 12,779,609	N/A
Authorized Positions	N/A	N/A	95.00	93.00	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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CLEAN, SAFE AND FUNCTIONAL FACILITIES

1. Facilities Management Contractual Services (163,005) (163,005)

This action increases contractual custodial services and preventive maintenance by \$53,495 for the West Valley Branch Library expansion. The current level of service at the West Valley Branch Library will be maintained with the added 13,000 square feet. Contractual custodial services at the Service Yards were approved to be reduced by \$80,000. By reducing the service level, operational savings will be achieved. Efficiency gains from the replacement of police range equipment with newer technology results in the approved reduction of police range contractual services (\$84,500). Operational savings will be achieved in custodial contract management through redeployment of line staff and prioritization of responsibilities (\$52,000). (Ongoing savings: \$163,005)

Performance Results:

Customer Satisfaction Staff at the Service Yards rating Facilities Management service as very good or excellent will decrease. The percent of public rating publicly accessed buildings as very good or excellent will increase from the 2001-2002 estimated 63% level to 65% in 2002-2003.

General Services Department

Core Service: Facilities Management

City Service Area: Strategic Support - City Facilities and Equipment

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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CLEAN, SAFE AND FUNCTIONAL FACILITIES (Cont'd.)

2. Streamlining Facilities Management	(2.00)	(124,326)	(216,726)
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This action eliminates a vacant Electrician position and a vacant Office Specialist position that processes work orders (\$124,326). In addition, a Senior Construction Inspector that is funded by the General Fund was approved to be funded by capital funds as a result of the increased number of minor capital projects from client departments. (Ongoing savings: \$124,326)

Performance Results:

Cycle Time Service levels related to health and safety concerns will not be impacted. Cycle times for non-health and safety requests may increase and overall, the % of non-health and safety work completed within time standards is expected to decrease by 2% from the 2001-2002 targeted level. **Customer Satisfaction:** The delivery of smaller Capital projects will be improved by the Senior Construction Inspector.

3. Changes in Vehicle Maintenance Staffing Levels	(32,000)	(32,000)
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This savings results from an increase in the vacancy factor for General Services vehicle maintenance staffing. This will generate savings of \$17,000 in this core service and will reflect a likely downsizing of the fleet resulting from an audit currently in progress of the vehicle program. General Services will mitigate the reduction by managing its vacancies and determining which vacancies are critical to be filled, redeploying resources to key positions and reducing or eliminating less critical services. Contractual services related to mobile fueling are also approved to be reduced by \$15,000. After hours fueling will continue to be provided by vehicle maintenance staff that have been redeployed. (Ongoing savings: \$32,000)

Performance Results:

Cycle Time If the fleet is not downsized, reductions in Fleet staffing level will cause cycle times for preventive maintenance and minor repairs to increase. Service levels and availability of fleet will remain the same for emergency vehicles.

2002-2003 Adopted Core Service Changes Total	(2.00)	(319,331)	(411,731)
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General Services Department

Core Service: Fleet and Equipment Services
City Service Area: Strategic Support - City Facilities and Equipment

Core Service Purpose

Manage operations which provide a safe and reliable fleet of vehicles and equipment.

Key Operational Services:

- | | |
|--|---|
| <input type="checkbox"/> Provide Repair and Maintenance of City Fleet and Equipment | <input type="checkbox"/> Manage the Acquisition and Equipping of the Entire City Fleet |
| <input type="checkbox"/> Manage Fuel Availability and Distribution | |

Performance and Resource Overview

Fleet and Equipment Services acquires, maintains, and repairs the City's 3,014 vehicles and equipment (pumps, generators, etc.) In addition, Fleet and Equipment Services provide automated fueling facilities and administration of the alternative fuel vehicle (AFV) program.

The goal of this core service is to provide safe and reliable vehicles and equipment readily available for City employees so they can provide service to residents and businesses. This core service contributes to the following City Facilities and Equipment (CF&E) CSA's outcome: *Appropriate and Available Equipment*.

The following are goals for this CSA outcome of "*Appropriate and Available Equipment*":

- Provide required equipment and support for approved new programs
- Maintain fleet core services and implement an improved funding mechanism for replacement of vehicles
- Improve and enhance fleet systems and services

Departments that receive City Facilities & Equipment services defined these goals as critical to the delivery of core services to City residents. Thus, the five-year strategic goal is to "provide and maintain equipment that meets customer needs."

Challenges that this core service faces are 1) to identify an optimum fleet size; 2) to establish viable utilization standards; and 3) to establish replacement criteria while maximizing vehicle availability for clients in other CSAs. The current vehicle replacement criteria are being reviewed by the City Auditor and the department to incorporate a variety of components such as maintenance costs, resale value, age, mileage and utilization. Furthermore, a managed utilization analysis is in progress which will impact vehicle replacement. For this reason, general fleet replacement has been halted

General Services Department

Core Service: Fleet and Equipment Services

City Service Area: Strategic Support - City Facilities and Equipment

Performance and Resource Overview (Cont'd.)

until a more current replacement criteria can be established. The fleet size is also being reviewed and steps to achieve the optimum fleet size will be a goal for 2002-2003.

As a result of a recent review of the general fleet and size of the Vehicle Maintenance and Operations Fund's fund balance, it has been determined that general fleet replacement can be reduced from \$2.5 million to no more than \$1.25 million annually for at least the next three years. As a result, the annual transfer from the General Fund for general fleet replacement is eliminated for that period of time. Fund balance will be utilized to fund whatever level of general fleet replacements is determined to be appropriate. Changes are also approved for the vehicle maintenance staffing levels due to the likely downsizing of the fleet and to generate operational savings. The vacancy factor for Fleet and Equipment Services will be increased from 3% to 7%.

The 2001-2002 performance measure "% of fleet availability by class" exceeded targeted levels for all non-public safety vehicles. The increase is attributed to the expanded swing shift preventive maintenance and repair activities. Services were provided after-hours when the vehicles were not in use. In 2002-2003, "% of fleet availability by class" is expected to return to the 2001-2002 targeted levels if the fleet is not downsized. An anticipated increase in unscheduled repairs for the aging fleet, as well as the staff redeployment may cause the percent of available fleet to decrease.

The 2001-2002 performance measure "% of services completed within agreed upon time between customer and service provider" did not meet targeted levels for public safety Fire vehicles. This is a direct result of the age and high mileage of the fire support command units, which does not include fire apparatus vehicles, that are in the process of being replaced. Because of this, the core service experienced a high frequency of mechanical problems that resulted in the lower performance measure for 2001-2002.

Performance Measure Development






Actual 2000-2001 and 2001-2002 target data is not available for the performance measure "% of customers who rate our service good or better based on timeliness, convenience and courtesy." This measure was under development in 2000-2001 and data collection began in 2001-2002.

General Services Department

Core Service: Fleet and Equipment Services

City Service Area: Strategic Support - City Facilities and Equipment

Performance and Resource Overview (Cont'd.)

Fleet and Equipment Services Performance Summary		2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of fleet availability by class (of equipment)					
	Police	100%	100%	100%	100%
	Fire	100%	100%	100%	100%
	General Fleet Light	94%	91%	97%	92%
	General Fleet Heavy	82%	78%	79%	72%
	Off Road Light	94%	92%	97%	92%
	Off Road Heavy	88%	85%	87%	82%
 Cost per mile or hour, by class (of equipment)					
	Police	\$0.35	\$0.39	\$0.26	\$0.29
	Fire	\$3.13	\$3.03	\$2.27	\$2.49
	General Fleet Light	\$0.23	\$0.24	\$0.21	\$0.23
	General Fleet Heavy	\$2.19	\$3.41	\$0.80	\$0.88
	Off Road Light	\$5.49	\$5.72	\$4.69	\$5.16
	Off Road Heavy	\$34.20	\$30.49	\$27.49	\$30.24
 % of fleet in compliance with replacement cycle by class (to be replaced/scheduled to be replaced)*					
	Police	100%	100%	100%	100%
	Fire	100%	100%	100%	100%
	General Fleet Light	79%	82%	78%	78%
	General Fleet Heavy	73%	74%	65%	65%
	Off Road Light	45%	64%	51%	51%
	Off Road Heavy	75%	64%	70%	70%
 % of services completed within agreed upon time between customer and service provider*					
	Police	83%	88%	87%	87%
	Fire	88%	92%	81%	81%
	General Fleet Light	77%	85%	83%	83%
	General Fleet Heavy	83%	85%	81%	81%
	Off Road Light	80%	88%	82%	82%
	Off Road Heavy	72%	78%	81%	81%
 % of customers who rate our service good or better based on quality, timeliness and cost					
	Timeliness	-	-	75%	60%
	Convenience	-	-	67%	85%
	Courtesy	-	-	95%	96%

* Targets for 2002-2003 are based on the current size of the fleet and the current replacement criteria. Vehicle replacement criteria is being reviewed and a managed utilization analysis is in progress, both reviews will impact the replacement cycle.

General Services Department

Core Service: Fleet and Equipment Services City Service Area: Strategic Support - City Facilities and Equipment

Performance and Resource Overview (Cont'd.)

Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
Total # of repair work orders	23,640	25,000	25,000	26,250
Total # of prescribed preventative maintenance work orders	7,744	7,800	8,100	8,100
Total # vehicles and equipment	2,753	2,875	3,014	3,014
Total # of acquisitions	463	370	124	160

Fleet and Equipment Services Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
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Core Service Budget *

Personal Services	N/A	N/A	\$ 6,717,214	\$ 6,462,214	N/A
Non-Personal/Equipment	N/A	N/A	3,134,549	3,134,549	N/A
Inventory	N/A	N/A	5,820,077	5,750,077	N/A
Total	\$ -	\$ -	\$ 15,671,840	\$ 15,346,840	N/A
Authorized Positions	N/A	N/A	95.00	95.00	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

General Services Department

Core Service: Fleet and Equipment Services
City Service Area: Strategic Support - City Facilities and Equipment

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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APPROPRIATE AND AVAILABLE EQUIPMENT

1. Changes in Vehicle Maintenance Staffing Levels		(325,000)	0
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This savings results from an increase in the vacancy factor for General Services vehicle maintenance staffing. This will generate savings of \$255,000 and will reflect a likely downsizing of the fleet resulting from an audit currently in progress of the vehicle program. The department will mitigate the reduction by managing its vacancies and determining which vacancies are critical to be filled, redeploying resources to key positions and reducing or eliminating less critical services. Contractual services related to mobile fueling are also approved to be reduced by \$70,000. After hours fueling will continue to be provided by staff that has been redeployed. (Ongoing savings: \$325,000)

Performance Results:

Cycle Time If the fleet is not downsized, reductions in Fleet staffing level will cause cycle times for preventive maintenance and minor repairs to increase. Service levels and availability of fleet will remain the same for emergency vehicles.

2002-2003 Adopted Core Service Changes Total	0.00	(325,000)	0
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General Services Department

Core Service: Parks & Civic Grounds Management
City Service Area: Recreation and Cultural Services

Core Service Purpose

To provide a safe, functional and aesthetically pleasing parks system.

Key Operational Services:

☐ **Provide Grounds and Landscape Maintenance**

☐ **Maintain Park Hardware and Sports Apparatus**

Performance and Resource Overview

Parks & Civic Grounds Management core service contributes directly to the Recreation and Cultural Services CSA's outcome to provide *Safe and Clean Parks, Facilities and Attractions*. This includes providing full grounds maintenance to all Neighborhood Park facilities and Civic Grounds, while providing central support, namely turf management, irrigation repair, horticulture support and equipment repair services to all Regional Park facilities.

Due to a reduction in one-time resources and increased acreage, 19% of the park facilities were rated as in good or better condition for 2000-2001. A higher percentage of the park facilities (25%) is estimated to be rated as being in good or better condition during 2001-2002. This increase is a result of the two Urgent Services Maintenance Crews that were added last year to respond to maintenance emergencies, allowing staff to continue on its maintenance schedule.

The Recreation and Cultural Services CSA includes a 5-year goal to increase the percentage of parks receiving a good or better condition rating from the current estimated level of 25% to 80%. Last year the 5-year goal was 90%. However, during the process of developing the Business Plan and re-evaluating the 5-year goals, the consensus of the Recreation and Cultural Services CSA was to adjust this goal to be more realistically attainable, regardless of economic conditions. Raising this percentage from 25% to 80% will be accomplished by providing a higher level of maintenance services, as well as completing the projects funded by the Parks General Obligation Bond. Due to budget constraints, however, these performance measure targets are not expected to improve in 2002-2003. Parks & Civic Grounds Management staff will strive to achieve the 2002-2003 target of 22% of the facilities being rated in good or better condition, and maintain the current customer satisfaction rating of service delivery of 66%.

Ongoing funding is approved for three of the eight new parks coming on-line. Additional resources are needed for three of the new parks due to the size, maintenance complexity and location relative to other park facilities. The department will absorb costs for the remaining five new parks and 13 enhancements planned for park facilities in 2002-2003. The additional funding will maintain the

General Services Department

Core Service: Parks & Civic Grounds Management

City Service Area: Recreation and Cultural Services

Performance and Resource Overview (Cont'd.)

new park facilities at a current maintenance service level. The department anticipates no degradation of service level or condition rating system-wide during 2002-2003 as new park facilities are added to the inventory.

Changes in staffing levels were approved. The increase in vacancy savings factor from 2% to 4% should still enable the department to fill key vacancies as necessary and prudent. Parks Maintenance staff will monitor vacancies within the core service, maintaining more vacancies in the winter months when maintenance is less demanding. Contractual services to improve restroom cleanliness will be reduced by 25%. Restrooms will continue to be maintained daily through redeployment of staff; however, this will impact the organization's ability to complete other routine and preventive maintenance tasks.

As a partner in the Recreation and Cultural Services CSA, this core service is participating in an organizational development effort with the Parks, Recreation, and Neighborhood Services Department (PRNS) to improve service delivery through structural changes and the realignment of resources. General Services Parks Maintenance is also working with the Visitor Services & Facilities Division of PRNS to assess the efficiencies and effectiveness gains that could be achieved through a collaborative maintenance approach between the two departments. Early indications suggest that efficiencies identified will not create sufficient capacity to absorb additional acreage into either maintenance inventory but rather creates an effective maintenance support system. Parks Maintenance is exploring the possibility of expanding the Adopt-a-Park program. The strategy is to train more park volunteers to approach corporations to solicit donations and sponsorship.






In 2001-2002, staff continued to work collaboratively with the Facilities Management core service to eradicate 100% of graffiti within 24 hours of notification, with an average response time of 1.5 hours. This staff redeployment effort is an example of a creative strategy to address a community problem.

General Services Department


Core Service: Parks & Civic Grounds Management

City Service Area: Recreation and Cultural Services

Performance and Resource Overview (Cont'd.)

Parks & Civic Ground Management Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of Neighborhood Park facilities with a staff condition assessment rating of 4.0 or greater (on a 5 point scale with 5 being excellent)	19%	22%	25%	22%
 Maintenance budget per developed park acre maintained	\$13,541	\$15,000	\$14,248	\$15,000
 % of customer concerns completed within time standards established by PRNS	86%	90%	94%	90%
 % of park hardware and sports apparatus repairs completed within target date established with customer	62%	70%	74%	70%
 % of customers who rate neighborhood parks as safe, functional and aesthetically pleasing	62%	66%	66%	66%

Selected Operational Measures

 % of graffiti occurrences abated within 24 hours of notice	100%	100%	100%	100%
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Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
# of volunteers who participate in Adopt-A-Park	1,100	1,300	1,200	1,300
Park facilities with a staff condition assessment rating of 4.0 or greater (on a 5 point scale with 5 being excellent)	25	45	50	45
Total developed park acreage per field maintenance personnel (includes acreage supported by central services)	7.6	7.8	7.8	7.8
# of developed neighborhood parks and trails	138	141	141	149
Total developed acres maintained (neighborhood parks and trails)	938	955	955	969
# of civic grounds maintained	55	55	55	55

General Services Department

Core Service: Parks & Civic Grounds Management City Service Area: Recreation and Cultural Services

Performance and Resource Overview (Cont'd.)

Parks & Civic Grounds Management* Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget **					
Personal Services	N/A	N/A	\$ 189,058	\$ 189,058	N/A
Non-Personal/Equipment	N/A	N/A	55,115	55,115	N/A
Total	\$ -	\$ -	\$ 244,173	\$ 244,173	N/A
Authorized Positions	N/A	N/A	150.75	153.75	N/A

* Parks Maintenance funding displayed in the General Services Department section of this document represents funds for landscape maintenance services at the Water Pollution Control Plant as approved by City Council in 1998-1999. Basic park maintenance continues to be provided by the General Services Department and funded in the Department of Parks, Recreation and Neighborhood Services budget in the Community Services section of this document.

** The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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SAFE AND CLEAN PARKS, FACILITIES AND ATTRACTIONS

1. Maintenance for New Parks and Facilities	3.00	0	0
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This action provides maintenance for new neighborhood park acreage (13.6 acres) coming on-line during 2002-2003, including eight park facilities and 13 enhancements. The new park facilities include Bird/Fisk Park, O'Connor Park, South Central Pool, Latimer Community Garden, Buena Vista, Gleason Avenue Streetscape, Sixth and William Street and Tully Road Little League Fields. The core service will absorb maintenance costs for 18 park facilities/enhancements in 2002-2003. The remaining three park facilities, O'Connor Park, South Central Pool and Tully Road Little League Fields, require funding due to their size, maintenance complexity and location in relation to other facilities. The total approved investment for these three park facilities also funds related non-personal/equipment, including one-time funding for trucks (\$115,000). Funds were appropriated in the Parks, Recreation, and Neighborhood Services Department and three positions (two Groundsworkers and one Park Maintenance Repair Worker) have been authorized in the General Services Department. (Ongoing cost: \$0)

Performance Results:

No change to service levels is anticipated.

General Services Department

Core Service: Parks & Civic Grounds Management

City Service Area: Recreation and Cultural Services

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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SAFE AND CLEAN PARKS, FACILITIES AND ATTRACTIONS (CONT'D.)

2. Efficiency Savings in Parks Maintenance 0 0

This action reduces the restroom maintenance contract by 25% and increase the vacancy savings factor from two percent to four percent. The reduction in resources will be mitigated through examination and redeployment of services as well as collaboration between regional and neighborhood park maintenance staff. Staff will be redeployed to maintain the restrooms daily at the current level of service. The savings have been reflected in the appropriation to the Parks, Recreation, and Neighborhood Services Department. (Ongoing savings: \$0)

Performance Results:

No change to service levels is anticipated.

3. Changes in Vehicle Maintenance Staffing Levels 0 0

Savings result from an increase in the vacancy factor savings for General Services vehicle maintenance staffing. This will generate savings of \$44,000 in the Parks, Recreation, and Neighborhood Services Department and will reflect a likely downsizing of the fleet resulting from a vehicle program audit currently in progress. General Services will mitigate the reduction by managing its vacancies and determining which vacancies are critical to be filled, redeploying resources to key positions and reducing or eliminating less critical services. (Ongoing savings: \$0)

Performance Results:

Cycle Time If the fleet is not downsized, reductions in Fleet staffing level will cause cycle times for preventive maintenance and minor repairs to increase. Service levels and availability of fleet will remain the same for emergency vehicles.

2002-2003 Adopted Core Service Changes Total	3.00	0	0
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General Services Department

Core Service: Purchasing

City Service Area: Strategic Support – Finance and Technology

Core Service Purpose

To purchase quality products and services in a cost-effective manner by conducting competitive processes, researching new vendors and products and managing contracts.

Key Operational Services:

☐ **Procure Supplies, Materials and Equipment**

☐ **Procure General Services**

Performance and Resource Overview

Purchasing is responsible for the procurement of supplies, equipment and general services required by all City departments. Purchasing contributes directly to the Finance and Technology CSA's outcome to provide *Systems and Processes that Facilitate the Delivery of City Services*. The core service goal is to provide all CSA's with what they need, when they need it, at the right price. Purchasing contributes to all CSA's by providing products and services that assist departments in meeting service delivery goals to residents. The core service also strives to provide outreach to the business community and ensure that public funds are spent wisely through competitive processes and cooperative purchasing with other government agencies.

The City of San Jose continues to lead the way in innovative and responsible purchasing. During 2001-2002, electronic procurement opportunities were expanded with the upgrade of online catalogs and the addition of forms and procedures to the website. Council demonstrated its commitment to the community by the adoption of the Environmentally Preferable Procurement Policy. The Environmentally Preferable Procurement Policy, developed in collaboration with the Environmental Services Department, expanded the 1990 Recycle Policy and linked to other City environmental initiatives such as Green Building and Energy reduction. The City's Environmentally Preferable Procurement Policy serves as a model for other government agencies including the County of Santa Clara where it was adopted without any changes. Purchasing also streamlined its efforts by working with the partners in the Finance and Technology CSA to update processes and remove unnecessary procedures. For example, purchase limits were increased for petty cash and credit cards, and forms were revised, standardized and made available over the intranet.

Purchasing did not meet most of the 2001-2002 targeted levels due to a 30% vacancy rate in the core service. In 2002-2003, Purchasing will re-structure the core service to better meet the needs of customers. This streamlining effort will better support end-user needs in educating departments on how to use procurement vehicles such as Requests for Proposals and Requests for Qualifications. This education will increase the core service's ability to deliver the services that customers want and at the best value.

General Services Department

Core Service: Purchasing





City Service Area: Strategic Support – Finance and Technology

Performance and Resource Overview (Cont'd.)

The City of San Jose has been a leader in improving procurement methodologies. The expansion of the Internet has redefined the way business is being done. Purchasing activities are conducted through the city-wide Financial Management System (FMS) which has limited capability for electronic purchasing. Staff has been researching the development and feasibility of the purchase of an electronic procurement system over the past several years and the system specifications have been defined. However, budget constraints have deferred the acquisition of a state-of-the-art automated procurement system. In the interim, staff will continue to work with the Information Technology Department and the Finance Department to explore ways to make the Financial Management System more user-friendly and useful to City staff.

Performance Measure Development

As the methodology used to collect data is refined, the targets will become more accurate and data will be more meaningful. Ongoing development and definition of the operational services will impact the data collection process and it is anticipated in 2002-2003 that the performance measures will be revised so that the data will be even more accurate and useful.

Purchasing Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of time customers get what they want	100%	100%	92%	100%
 Total \$ procured divided by the Operating Budget for Purchasing	-	75%	75%	75%
 % of time the Purchase Order is issued within established timeframes				
5 days	57%	60%	52%	60%
10-15 days	58%	70%	68%	70%
20-90 days	48%	90%	75%	80%
More than 90 days	37%	80%	65%	70%
 % of customers who rate services good or better based on quality, timeliness and costs	-	95%	90%	95%

Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
# of procurement requests received	5,250	6,500	4,800	5,000
# of Purchase Orders issued	4,241	3,500	3,400	3,500
Total \$ Procured	\$95.0M	\$102.7M	\$90M	\$90M

General Services Department

Core Service: Purchasing

City Service Area: Strategic Support – Finance and Technology

Performance and Resource Overview (Cont'd.)

Purchasing Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	N/A	N/A	\$ 1,177,136	\$ 1,177,136	N/A
Non-Personal/Equipment	N/A	N/A	61,251	78,251	N/A
Total	\$ -	\$ -	\$ 1,238,387	\$ 1,255,387	N/A
Authorized Positions	N/A	N/A	14.70	14.70	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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SYSTEM AND PROCESSES THAT FACILITATE THE DELIVERY OF CITY SERVICES

1. Rebudget: Columbus Statue Repairs 17,000 17,000

The rebudget of unexpended 2001-2002 funds will allow for the completion of the repair and installation of the Columbus Statue at City Hall in 2002-2003. (Ongoing cost: \$0)

Performance Results: N/A (Final Budget Modification)

2002-2003 Adopted Core Service Changes Total	0.00	17,000	17,000
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General Services Department

Core Service: Materials Management *City Service Area: Strategic Support – Finance and Technology*

Core Service Purpose

To provide quality products and services in a cost-effective manner.

Key Operational Services:

- ☐ **Central Services**
- ☐ **Records Services**
- ☐ **Warehouse Services**

Performance and Resource Overview

Materials Management is provided on a daily basis to all City departments, enabling them to meet customer needs. Materials Management contributes directly to the Finance and Technology CSA's outcome to provide *Systems and Processes that Facilitate the Delivery of City Services*. The goal of this core service is to provide timely and reliable services so customers get what they want, when they want it.

Central Services include the Mail Room, Copy Center, Surplus Goods Management, Moving Services, and Recycling Services. Records Services (paper and electronic documents), include Retention Schedules, Vital and Historic Records, Inactive Records Storage and Historic Resources. Warehouse Services include Stores, Central Receiving and Delivery for both scheduled, interdepartmental routing and ad hoc drayage of large items. Materials Management contributes to all City Service Areas by providing support services that enable departments to meet their service delivery goals to residents.

In 2001-2002, an automated warehouse system was added to streamline the process of providing products to customers, to improve accounting efficiencies and to provide better control of inventory. City staff can now place orders using the online Stores Catalog. Other improvements in the core service include the opening of the City Gift Shop due to an increased demand by employees for City of San Jose logo items. In 2002-2003, staff plans on expanding the City Gift Shop inventory and improving outreach to City staff.

In 2002-2003, a complete review of the Warehouse Services will be undertaken. This review will include an examination of the surcharge Stores charges departments to provide service. A Warehouse Worker position is approved to be eliminated in 2002-2003. The elimination of this position will not impact the current level of routing service because the position has been vacant for more than a year. Staff anticipates the need for additional route stops and will review interdepartmental routes to determine the frequency, and locations where the routing services will be provided as well as the possibility of redeployment of staff.

General Services Department

Core Service: Materials Management

City Service Area: Strategic Support – Finance and Technology

Performance and Resource Overview (Cont'd.)

In 2001-2002, Central Services began outsourcing City Hall copy services. Customer satisfaction increased when the service was provided by outside vendors because of the enhanced service levels and longer hours of service. A Senior Offset Press Operator position is approved to be eliminated due to City Hall copy services no longer being provided in-house. A Request for Proposal process to outsource copy services and mail room services will be completed in 2002-2003. Other projects for Central Services staff include the development of a manual and the establishment of a training class on Moving and Surplus.

The city-wide Records and Information Management Project was completed in 2001-2002. This was the third and final phase of the project and resulted with the implementation of a city-wide records retention plan and provided departments with a retention schedule and storage policy. In 2002-2003, Records Services will focus on assisting departments with the implementation of department retention schedules and training departments on how to use them effectively. Materials Management will continue to work in collaboration with Information Technology Department on management of the City's electronic records. This collaboration will lead to a consistent approach and understanding of the emerging e-government field.

Performance Measure Development







As the methodology used to collect data is refined, the targets will become more accurate and data will be more meaningful. Ongoing development and definition of the operational services will impact the data collection process and it is anticipated in 2002-2003 that the performance measures will be revised so that the data will more be even more accurate and useful.

General Services Department

Core Service: Materials Management

City Service Area: Strategic Support – Finance and Technology

Performance and Resource Overview (Cont'd.)

Materials Management Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of time customers get what they want	97%	95%	90%	90%
 % of customers who rate services good or better based on quality, timeliness and cost	-	95%	90%	95%
 Operating Budget for Materials Management divided by the number of City employees	\$240	\$240	\$384	\$300
 Operating Budget for Materials Management divided by the number of requests completed	\$273	\$300	\$131	\$150
 % of time the request is completed within established time periods	94%	95%	89%	95%
% of packages delivered				
 delivered in one day	94%	95%	91%	95%
delivered in two days	100%	100%	100%	100%
delivered in three days	100%	100%	100%	100%

Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
# of materials/service requests received	24,885	25,132	21,800	23,000
# of packages delivered	54,413	51,150	34,835	35,000

Materials Management Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	N/A	N/A	\$ 1,238,882	\$ 1,133,895	N/A
Non-Personal/Equipment	N/A	N/A	330,813	322,909	N/A
Total	\$ -	\$ -	\$ 1,569,695	\$ 1,456,804	N/A
Authorized Positions	N/A	N/A	20.55	18.55	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

General Services Department

Core Service: Materials Management

City Service Area: Strategic Support – Finance and Technology

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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SYSTEM AND PROECESSES THAT FACILITATE THE DELIVERY OF CITY SERVICES

- | | | | |
|--|--------|----------|---|
| 1. Outsourcing Copy Services in Materials Management | (1.00) | (64,165) | 0 |
|--|--------|----------|---|

This savings is a result of outsourcing of copy services. Copy services will no longer be provided by City Staff in City Hall, thus making possible the elimination of a vacant Senior Offset Press Operator. Use of outside vendors will provide expanded service levels and longer hours of service. (Ongoing savings: \$64,165)

Performance Results:

Cycle Time Percent of time the request is completed within established time periods will increase from the 2001-2002 estimate of 89% to 95% in 2002-2003. **Customer Satisfaction** Percent of customers who rate services as good or better based on quality, timeliness and cost is targeted to increase from an estimated 90% in 2001-2002 to 95% in 2002-2003.

- | | | | |
|------------------------------------|--------|----------|----------|
| 2. Streamlining Warehouse Services | (1.00) | (48,725) | (48,725) |
|------------------------------------|--------|----------|----------|

This savings results from an elimination of a vacant Warehouse Worker position. The current level of service for interdepartmental routing will remain the same due to this position being vacant for more than a year. (Ongoing savings: \$48,725)

Performance Results:

Cycle Time The number of packages delivered is anticipated to increase less than 1% in 2002-2003. Therefore, the 2002-2003 percent of packages delivered within specified times are targeted to remain in the 95th or higher percentile.

2002-2003 Adopted Core Service Changes Total	(2.00)	(112,890)	(48,725)
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General Services Department

Strategic Support

Strategic Support represents services provided within departments that support and guide the provision of the core services. Strategic Support within the General Services includes:

Key Operational Services:

- | | |
|---|---|
| <input type="checkbox"/> Network/Computer Systems Management | <input type="checkbox"/> Programmatic/Administrative Support |
| <input type="checkbox"/> Budget/Fiscal Management | <input type="checkbox"/> Strategic Planning/Leadership |
| <input type="checkbox"/> Property Management | |

Performance and Resource Overview

Strategic Support provides administrative support for General Services. Strategic Support includes network and computer systems management, fiscal management, property management and organizational development. In 2002-2003, the Property Management Section of the Public Works Department was transferred to General Services. This reorganization will enhance property management capabilities and align operational services within the department.

Changes in administrative staffing were approved. The impact of eliminating a vacant Account Clerk and a vacant Secretary may result in increased cycle times for accounts payable, decreased customer satisfaction, and decreased quality.

Strategic Support will strive to meet customer expectations, to find cost saving opportunities and to maintain quality standards. As necessary, staff will be redeployed to meet the organization's highest needs.

Strategic Support Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Strategic Support Budget *					
Personal Services	N/A	N/A	\$ 1,101,672	\$ 986,688	N/A
Non-Personal/Equipment	N/A	N/A	9,354,468	9,424,466	N/A
Total	\$ -	\$ -	\$ 10,456,140	\$ 10,411,154	N/A
Authorized Positions	N/A	N/A	11.50	9.50	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of Strategic Support. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Strategic Support performance, yet are displayed elsewhere in this budget.

General Services Department

Strategic Support

Strategic Support Budget Changes

Adopted Strategic Support Changes	Positions	All Funds (\$)	General Fund (\$)
CLEAN SAFE AND FUNCTIONAL FACILITIES			
1. Streamlining Strategic Support Services	(2.00)	(114,985)	(114,985)
This savings results from an elimination of a vacant Account Clerk that provides internal and external customer support for the payment of invoices and a vacant Secretary position that provides administrative support to a Deputy Director. (Ongoing savings: \$114,984)			
Performance Results:			
Cycle Time The Account Clerk elimination will increase cycle times, particularly for department-specific and city-wide invoice payments. The impact of the Secretary position being eliminated will be mitigated by reassessing needs and redeploying resources to focus on the highest priorities.			
2. Rent Adjustment		69,998	0
This action is a result of a technical adjustment necessary to increase the expenditure for rent due to recently approved lease agreements for City office space at 4 North Second Street. (Ongoing cost: \$69,998)			
Performance Results: N/A (Final Budget Modification)			
2002-2003 Adopted Strategic Support Changes Total	(2.00)	(44,987)	(114,985)

Housing Department

Leslye Corsiglia, Director

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T*o assist San Jose's lower- and moderate-income families by increasing, preserving, and improving housing that is affordable and livable, and to the extent possible, ensuring long-term affordability and contributing to neighborhood revitalization*

Core Services

Increase the Affordable Housing Supply

Provide funding and technical assistance for the construction of new affordable housing and homebuyer assistance

Maintain the Existing Affordable Housing Supply

Provide rehabilitation loans and grants and construction oversight to extend the useful life of affordable housing, including single-family homes, mobile homes and multi-family buildings. Provide loan servicing and portfolio oversight to protect the City's investments and ensure the affordable units remain affordable. Provide Rental Dispute services to community residents to ensure rent increases are controlled and assist clients with eviction notices

Provide Services to Homeless and At-Risk Populations

Provide direct and indirect assistance to the homeless and those at-risk of homelessness in securing housing and related services

Strategic Support: Public Education, Long Range Planning, Financial Management, Computer Services, Clerical Support, Employee Services, Facility Management, Vehicle Maintenance, Audit Supervision, Materials Management, Policy Development

Housing Department

Budget Summary

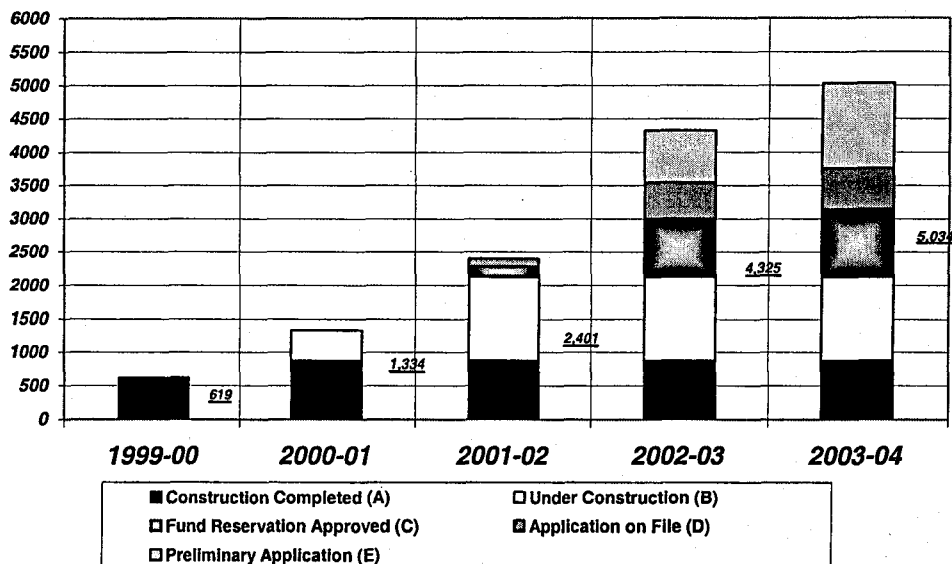
	2001-2002 Adopted	2002-2003 Adopted	Change
Authorized Positions	71.00	82.00	15.5%
Department Budget (All Funds)	\$ 7,425,496	\$ 9,240,761	24.4%

Budget Highlights 2002-2003

- ☐ Provides \$2 million to the Home Venture Fund to continue the First Time Homebuyer Assistance Program. Along with other leveraged funds, this program will assist 40-60 San Jose home buyers in 2002-2003.
- ☐ Provides \$4 million in funding and staffing resources to augment housing rehabilitation efforts in Strong Neighborhoods Initiative (SNI) areas, allowing the Department to double the current number of home rehabilitation projects.
- ☐ Provides additional resources for a Portfolio Management Team to ensure fiscal security of the growing affordable housing loan portfolio.

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Five-Year Housing Production Goals



Housing Department

Department Overview

The Housing Department's mission is to ensure that lower- and moderate-income residents are provided with a diverse range of safe, decent, and affordable housing opportunities. The Department accomplishes its mission through the following core services:

-  Increase the Affordable Housing Supply
-  Maintain the Existing Affordable Housing Supply
-  Provide Services to Homeless and At-Risk Populations

These core services contribute to the City's approach to meet the housing challenges of availability and affordability.

The above core services also align with and contribute to the outcome "*Diverse Range of Housing Opportunities*" of the Economic and Neighborhood Development City Service Area.

Increase the Affordable Housing Supply

In 2001-2002, this core service continued to work toward the City Council adopted housing production goal to construct more than 6,000 new affordable units between 1999 and 2004. For example, during 2001-2002, 875 affordable units will be completed and over \$75 million will be committed toward future development. Completions are anticipated to vary from the target for 2002-2003. This core service expects to reach 91% of the 2002-2003 goal for the fourth year in the 1999 thru 2004 Five-Year Spending Operations Plan. This lower than expected performance through the fourth year is due to the delay of eight projects whose completion was previously anticipated in the upcoming year. Reasons for the delays include issues regarding land-use entitlement/environmental review process and inability to secure tax-credit financing on schedule.

As of April 2002, the Teacher Homebuyer Program surpassed its performance goal of 70 loans by assisting 94 public school teachers to purchase homes. The Department expects to assist 32 more teachers by the end of the fiscal year, for a total of 126. The Department continues to explore possibilities that will expand the teacher program and other employer-assisted housing opportunities and continues to be effective in combining the Teacher Homebuyer Program with other programs to enhance teachers' purchasing power and increase production.

Maintain the Existing Affordable Housing Supply

This core service works to preserve the existing affordable housing stock and applies a three-pronged approach. First, the loan management staff monitors and enforces long-term affordability requirements for City-financed projects and provides overall portfolio management of its existing loans. Due to market conditions, several projects repaid their loans during 2001-2002 resulting in \$1.3 million of unanticipated revenues.

Second, a variety of loans, grant products and paint grants are provided for housing rehabilitation purposes. These products are offered to qualified homeowners, rental property owners, and mobile home owners. By June 2002, the Department plans to recommend policy changes to implement the Strong Neighborhoods Initiative (SNI) Housing Rehabilitation Program with an additional \$4,000,000 from the Redevelopment Agency Capital Improvement Program and deposit it in the HOME Investment Partnership Fund. The Housing Rehabilitation Program, in compliance with the U.S. Housing and Urban Development's (HUD) lead-based

Housing Department

Department Overview (Cont'd.)

Maintain the Existing Affordable Housing Supply (Cont'd.)

paint regulations, will continue its high level of activity to identify and eliminate hazards associated with lead-based paint in residential structures.

Third, the Rental Dispute Program oversees two ordinances for apartment units constructed prior to 1979 and the Mobilehome Rent Mediation Ordinance. On March 15, 2002, the administration of the Rental Dispute Program was transferred from the Parks, Recreation, and Neighborhood Services Department to the Housing Department. The current experience gained from the Housing Department's Homeless Services division will provide the framework for building a database, which will provide adequate management information to management staff to prepare analysis for internal decision-making and to prepare information reports to the Program's commissions. In 2002-2003, the Housing Department plans to dedicate resources to expanding public outreach and improving management information systems for this program.

Provide Services to Homeless and At-Risk Populations

This core service offers a variety of direct services to the homeless population, including information and referral to emergency shelter, transitional housing, and permanent housing. Indirect services are provided through the financial support of local non-profit shelter and service providers. In 2001-2002, the number of clients receiving direct service increased every quarter. In response to increased challenges, the Department is in the process of developing a Five-Year Homeless Plan that outlines several components: information on available resources, information on services provided by partner organizations as well as

current city policies and strategies to assist the homeless population further.

In 2001-2002, the Mayor's Homeless Families and Children Initiative Fund was developed. Funding of \$300,000 was used to support community proposals benefiting homeless families and individuals. As directed by the Mayor's Budget Message, this program will continue to be funded in 2002-2003.

Funding Sources

The Department manages funding of \$229,406,782 from a variety of sources to support services and programs. The Department's primary source of funding is 20% of the gross property tax increment from the Redevelopment Agency. As required by California State law, these 20% tax increment funds are used solely for affordable housing purposes. This annual tax increment revenue is deposited in the Low and Moderate Income Housing Fund.

The following additional funding sources are used to support departmental programs: supplemental funding from the Redevelopment Agency, line of credit proceeds, the sale of tax allocation bonds (which pays down the line of credit), loan repayments, Real Estate Owned property disposition proceeds, interest income, miscellaneous revenues, and four HUD programs. The following are the HUD-supported programs: Housing Opportunities for People With Aids (HOPWA), Emergency Shelter Grant (ESG), Community Development Block Grant Program (CDBG) and the HOME Investment Partnership Program.

The finances of the Department are detailed in five funds listed elsewhere in this document. These funds are the Low and Moderate Income Housing Fund (443), the HOME

Housing Department

Department Overview (Cont'd.)

Funding Sources (Cont'd.)

Investment Partnership Program Fund (445),
the Housing and Homeless Fund (440), the
Community Development Block Grant Fund

(441), and the General Fund (001). To
summarize, the estimated sources of funding
available to the Department for 2002-2003 are
as follows:

\$2,218,860	Community Development Block Grant (CDBG) – Housing Rehabilitation
408,000	CDBG – Predevelopment Loan Program
442,000	Emergency Shelter Grant
400,000	CalHome Program – Housing Rehabilitation
200,000	RRP Predevelopment Loan Program
100,000	RRP Projects
1,000,000	Housing and Homeless Fund
4,066,094	HOME Investment Partnership Program Fund
741,000	Housing Opportunities for People with AIDS (HOPWA)
300,000	Mayor's Homeless Families and Children's Initiative
4,000,000	SNI Home Improvement Program
38,110,000	20% Redevelopment Tax Increment
12,550,000	Loan Repayments, Interest Income, & Misc. Revenue
34,870,828	Redevelopment ELI Funding
30,000,000	Line of Credit
<u>100,000,000</u>	Bond Sales*
\$229,406,782	TOTAL PROGRAM FUNDING SOURCES

* This figure is the gross amount of funds available. The proceeds from bond sales will be used to pay-down the current and prior years' Lines of Credit, thus decreasing the total amount of funds available by those amounts.

Housing Department

Department Budget Summary

	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Dollars by Core Service					
Increase Affordable Housing Supply	N/A	N/A	\$ 1,506,707	\$ 1,506,707	N/A
Maintain Existing Affordable Housing Supply	N/A	N/A	3,419,293	4,254,275	N/A
Provide Svcs to Homeless and At-Risk Populations	N/A	N/A	581,984	581,984	N/A
Strategic Support	N/A	N/A	2,897,795	2,897,795	N/A
Total	\$ -	\$ -	\$ 8,405,779	\$ 9,240,761	N/A
Dollars by Program					
Management and Analysis	\$ 3,625,623	\$ 3,798,972	N/A	N/A	N/A
Loan Management	787,332	950,037	N/A	N/A	N/A
Housing Production	2,384,753	2,676,487	N/A	N/A	N/A
Total	\$ 6,797,708	\$ 7,425,496	\$ -	\$ -	N/A
Dollars by Category					
Personal Services					
Salaries/Benefits	\$ 5,441,637	\$ 5,695,014	\$ 6,579,251	\$ 7,220,490	26.8%
Overtime	16,126	28,643	30,075	30,075	5.0%
Subtotal	\$ 5,457,763	\$ 5,723,657	\$ 6,609,326	\$ 7,250,565	26.7%
Non-Personal/Equipment					
	1,339,945	1,701,839	1,796,453	1,990,196	16.9%
Total	\$ 6,797,708	\$ 7,425,496	\$ 8,405,779	\$ 9,240,761	24.4%
Dollars by Fund					
General Fund	\$ -	\$ -	\$ 281,207	\$ 281,207	N/A
Low/Moderate Housing	6,097,444	6,580,776	7,449,434	7,737,037	17.6%
HOME	472,121	605,903	307,614	854,993	41.1%
CDBG	228,143	238,817	367,524	367,524	53.9%
Total	\$ 6,797,708	\$ 7,425,496	\$ 8,405,779	\$ 9,240,761	24.4%
Authorized Positions	70.00	71.00	74.00	82.00	15.5%

Note: The City of San Jose is in the final year of a three year transition to a Performance-Based Budget. As a main step in the process, all departments and City Council appointees identified their major lines of business or "Core Services" delivered to customers. Departmental budget sections are now presented by Core Services, rather than Programs, with performance measures and adopted budget changes detailed. For fiscal year 2002-2003 (as part of the budget transition), Program information is now only available for the display of 2000-2001 Actual and 2001-2002 Adopted Budget data.

Housing Department

Budget Reconciliation

(2001-2002 Adopted to 2002-2003 Adopted)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2001-2002):	71.00	7,425,496	0
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Inclusionary Housing Study		(25,000)	0
• Information Technology-Staff Support		(6,500)	0
One-time Prior Year Expenditures Subtotal:	0.00	(31,500)	0
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations:		686,751	0
- 1.0 Office Specialist to 1.0 Secretary			
- 1.0 Senior Analyst and 1.0 Community Activity Worker to 2.0 Analyst			
• Transfer Rental Dispute Program from Parks, Recreation & Neighborhood Services Department:	3.00	281,207	281,207
1.0 Senior Analyst, 1.0 Office Specialist, 1.0 Community Activity Worker and related non-personal/equipment funding			
• Rent COLA		26,872	0
• Membership Fees		2,000	0
• Equipment leasing		14,953	0
Technical Adjustments Subtotal:	3.00	1,011,783	281,207
2002-2003 Forecast Base Budget:	74.00	8,405,779	281,207
Investment/Budget Proposals Approved			
Maintain the Existing Affordable Housing Supply			
- Expanded Housing Rehabilitation program in Strong Neighborhoods Initiative Area	5.00	493,266	0
- Portfolio Management Team	3.00	276,716	0
- Rebudget: Vehicle Replacement		65,000	0
Maintain the Existing Affordable Housing Supply Subtotal:	8.00	834,982	0
Total Investment/Budget Proposals Approved	8.00	834,982	0
2002-2003 Adopted Budget Total	82.00	9,240,761	281,207

Housing Department

Core Service: Increase the Affordable Housing Supply
City Service Area: Economic & Neighborhood Development

Core Service Purpose

Provide funding and technical assistance for the creation of new affordable housing.

Key Operational Services:

☐ **Make Loans to Developers**

☐ **Provide Homebuyer Assistance**

Performance and Resource Overview

This core service increases the supply of affordable housing by funding the construction of new housing units and by improving home ownership opportunities for San Jose residents. In the construction program, technical assistance and low-interest gap loans are provided to housing developers for the construction of rental and for-sale housing projects that are affordable to extremely low-, very low-, and moderate-income households. The home ownership program provides homebuyer assistance by working in partnership with a number of organizations. For example, a partnership with Neighborhood Housing Services of Silicon Valley has leveraged bank contributions to make silent-second mortgages to first-time homebuyers. Further, this core service administers a loan assistance program for San Jose public school teachers. This core service contributes to the Economic and Neighborhood Development CSA outcome: *Diverse Range of Housing Opportunities*.

In 2001-2002, this core service expects to reach 82% of the cumulative, housing construction completion target for the third year of the adopted 1999-2004 Five-Year Spending and Operations Plan. The core service is estimated to exceed its leveraging goal of 3 to 1 by achieving a 3.55:1 ratio of non-city funds to City funds. For 2002-2003, it is anticipated that the combined efforts of the Housing Department and the Redevelopment Agency will achieve 91% of the cumulative housing construction completion target in the fourth year of the adopted Plan.

In May 2001, the City Council identified additional funding of \$27.3 million from the Redevelopment Agency for financing of Extremely Low-income (ELI) housing. This amount was 30% of the project financing line item in the Housing Department budget. In 2002-2003, \$34.87 million is being made available from the Redevelopment Agency Capital Improvement Program for ELI funding to finance over 300 ELI units.

The Teacher Homebuyer Program (THP) performance will be strong for 2001-2002. As of March 31, 2002, the THP surpassed its annual performance goal (70) by assisting 94 San Jose public school teachers in the purchase of their homes and expects to serve a total of 126 by year-end. The program has averaged a placement of 10 teachers per month since July 2001. Outreach and

Housing Department

Core Service: Increase the Affordable Housing Supply
City Service Area: Economic & Neighborhood Development

Performance and Resource Overview (Cont'd.)

demonstrated success further stimulated and increased interest in the THP. Last quarter data demonstrated an average of 200 public inquiries per month.

For 2002-2003 an allocation of \$2 million has been approved for supporting the Home Venture Fund. This allocation will be fully funded by the Redevelopment Agency Capital Improvement Program. This \$2 million will leverage approximately \$3.5 million in second mortgages financed by private banking funds and an additional \$10 million in privately financed first mortgages. This money will enable 40-60 San Jose residents to become first-time homebuyers—approximately 50 percent are anticipated to be teachers and 60-70 percent are anticipated to be low-income families.

Performance Measure Development









The performance measure that previously tracked per-unit subsidy is to be dropped and, instead, reported as an Activity and Workload Highlight. The amount of per-unit subsidy is more appropriate as an indicator rather than a performance measure because it is driven by external factors outside the Department's control. In addition, some current Activity and Workload Highlights have been revised to clarify both annual and cumulative achievements.

A survey was sent to all developers requesting feedback on the efficacy of the Housing Action Team's (HAT) development review process. Responses and analysis will be completed by the end of 2001-2002. Additionally, phone surveys to residents throughout San Jose regarding affordable housing developments will be conducted. Staff is currently researching the most cost effective ways to conduct this survey.

Housing Department

Core Service: Increase the Affordable Housing Supply City Service Area: Economic & Neighborhood Development

Performance and Resource Overview (Cont'd.)

Increase the Affordable Housing Supply Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of cumulative target achieved toward five-year construction completion goal ¹	98%	86%	82%	91%
 % of annual Teacher Homebuyer Loans target achieved (70 loans)	100%	100%	180%	100%
 Cumulative ratio of non-City funds to City funds in five-year New Construction Program	3.5 : 1	3 : 1	3.55 : 1	3 : 1
 % of Teacher homebuyer loans funded within 15 days of receipt of loan package	99%	100%	99%	100%
 % of new construction developments completing construction within 30 months of application	57%	50%	57%	76%
 % of homebuyer clients (approved or denied) satisfied or very satisfied with the programs based on overall service	91%	-	TBD*	90%
 % of developers satisfied or very satisfied with the Department based on timeliness	75%	-	TBD*	100%
 % of neighborhood residents rating New Construction projects good or excellent based on overall impact	-	-	TBD*	TBD*

¹ Cumulative goal for each of the five years in the Five Year Plan, 1999-2000: 537; 2000-2001: 1,469; 2001-2002: 2,802; 2002-2003: 4,203; 2003-2004: 6,036

* See Performance Measure Development Section for Details

Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
# of teacher homebuyers assisted	85	70	126	70
# of other homebuyers assisted	-	10	37	120
# of total homebuyers assisted	85	80	163	190
# of affordable housing units for which the City has funded land acquisition				
Annual	1,404	1,338	1,338	1,761
Cumulative	2,104	3,442	3,442	5,203
# of affordable housing units starting construction				
Annual	700	1,490	1,490	2,361
Cumulative	1,269	2,759	2,759	5,120

Housing Department

Core Service: Increase the Affordable Housing Supply

City Service Area: Economic & Neighborhood Development

Performance and Resource Overview (Cont'd.)

Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
# of affordable housing units completed				
Annual	683	663	663	1,495
Cumulative	1,302	1,965	1,965	3,460
Average per-unit subsidy in funding commitments for new construction projects (\$)	New Measure for 2002-2003			65,000

Increase the Affordable Housing Supply Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	N/A	N/A	\$ 1,190,513	\$ 1,190,513	N/A
Non-Personal/Equipment	N/A	N/A	316,194	316,194	N/A
Total	\$ -	-	\$ 1,506,707	\$ 1,506,707	N/A
Authorized Positions	N/A	N/A	12.00	12.00	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)
NONE		

Housing Department

Core Service: Maintain the Existing Affordable Housing Supply

City Service Area: Economic & Neighborhood Development

Core Service Purpose

Provide rehabilitation loans and construction oversight to extend the useful life of affordable housing. Provide loan services and portfolio oversight to protect the City's investments and ensure that affordable units remain affordable.

Key Operational Services:

- ☐ **Loans Management**
- ☐ **Housing Rehabilitation**
- ☐ **Rental Dispute Services**

Performance and Resource Overview

Maintaining the existing supply of affordable housing involves three distinct activities. The first is the physical maintenance of buildings to extend their life, including both small-scale rehabilitation of single-family homes, multi-family apartments, and mobilehome units and the acquisition/rehabilitation of large apartment complexes. The second is ensuring that housing units subject to long-term affordability restrictions remain affordable and well maintained for the term of the restriction. The third is the Rental Dispute Program. This core service contributes to the following Economic and Neighborhood Development CSA outcome: *Diverse Range of Housing Opportunities*.

Over the course of 2001-2002, this core service implemented process improvements that will increase overall Housing Rehabilitation Program (HRP) production. These changes include the following: a consistent interest rate for all loans; increased allowable amount for paint grants; and no amortization required on loans to homeowners. Further, application process and program procedures were simplified to make the HRP more attractive to potential customers. Finally, to make the HRP more attractive to landlords specifically, the following changes were made to the program: elimination of owner contributions for one to four units of rental rehabilitation and the use of deferred loan products for rental rehabilitation. All of these changes are expected to increase future rehabilitation activity. For 2001-2002, this core service expects to complete approximately 270 single family, multi-family and mobilehome units compared to 243 in 2000-2001.

For 2002-2003, five new positions and an additional allocation of \$4 million were approved to support rehabilitation efforts in the Strong Neighborhoods Initiative (SNI) areas. This allocation will be fully funded by the Redevelopment Agency Capital Improvement Program, and deposited in the HOME Investment Partnership Fund. This funding increase, in conjunction with improvements in the program delivery system, will double production in the housing rehabilitation program. As neighborhoods establish their SNI plans and "top ten" priorities, this program will work with communities to identify blocks for demonstration. The goal is to reduce blight, thereby contributing to safe and attractive neighborhoods.

Housing Department

Core Service: Maintain the Existing Affordable Housing Supply

City Service Area: Economic & Neighborhood Development

Performance and Resource Overview (Cont'd.)

On March 15, 2002, the administration of the Rental Dispute Program was transferred from the Parks, Recreation, and Neighborhood Services Department to the Housing Department. The program oversees two ordinances, the Rental Dispute and Mediation Ordinance for apartment units constructed prior to 1979 and the Mobilehome Rent Mediation Ordinance. The overall goal of the program is to stabilize rent increases for apartments and mobilehomes within San Jose. Rent stabilization enables San Jose residents to maintain their current affordable housing. Existing program resources will be dedicated to the development of a new database, updating the current website, and increasing public outreach efforts. During 2002-2003 performance measures will be enhanced to capture necessary data to track the progress of this program.

The Loan Management workload continues to expand as the Housing Department loan portfolio grows as a result of increased production. The loan portfolio included 1,311 loans worth \$214 million in 1999, 1,560 loans worth \$285 million in 2001, and is expected to reach 1,650 loans worth \$427 million in 2003. The loan portfolio is anticipated to increase to \$547 million in the next four years. This includes maintaining annual compliance and monitoring services to existing projects with clients occupying over 13,000 units of affordable housing. For 2002-2003, three additional staff will manage the growing loan portfolio.

Customer surveys will be conducted by the end of June 2002 to obtain feedback from rehabilitation and paint grant clients, loan management clients, and project occupants of new construction. Customer surveys will be conducted annually as part of the Department's performance analysis, and the data will be utilized to manage and improve services.

The "Final HUD Regulation on Lead Based Paint Hazards" went into effect on January 10, 2002, for all agencies receiving federal funding. This regulation was originally intended to be effective on September 15, 2000; however, due to a shortage of certified lead-based paint contractors, actual implementation was delayed until the January 10, 2002 date.

Therefore, the first full year of compliance with the US Department of HUD's lead-based paint regulations will be 2002-2003. This core service expects to reallocate up to \$1.5 million (68% of its Community Development Block Grant [CDBG] appropriation) to testing, risk assessment, project design, and abatement of these lead-based paint hazards. This allocation will achieve 100% of performance measurement regarding paint grant project completions but will decrease the number of units receiving other CDBG funded rehabilitation services.

To date, 660 dwellings have been tested for lead-based paint contamination. Of that number, 397 (or 60%) have tested negative. In general, the lead tests performed to date indicate that most of the units with lead-based paint contamination were built prior to the 1950s. The housing stock built in San Jose since the late 1950's is, for the most part, free of this hazard.

Housing Department

Core Service: Maintain the Existing Affordable Housing Supply

City Service Area: Economic & Neighborhood Development

Performance and Resource Overview (Cont'd.)

The acquisition and rehabilitation of existing apartment buildings, together with imposing long-term affordability restrictions on those projects, remains a key component of the City's affordable housing program. In 2001-2002, rehabilitation work was completed in four such projects encompassing 555 preservation units and 257 newly restricted units. In 2002-2003, it is anticipated that rehabilitation work will be completed on an additional 101 preservation units and 415 newly restricted units in four projects.











Performance Measure Development

The performance measures for this core service were revised to provide clarity and consistency with five-year goals and language uniformity within the measures. Performance measures have been added to address the Strong Neighborhoods Home Improvement Program and the Rental Dispute Program.

Housing Department

Core Service: Maintain the Existing Affordable Housing Supply
City Service Area: Economic & Neighborhood Development

Performance and Resource Overview (Cont'd.)

Maintain the Existing Affordable Housing Supply Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of cumulative target achieved toward five-year acquisition/rehabilitation construction goal ¹ (1,172 total units)	89%	170%	170%	180%
Default rate of loan portfolio by category:				
% of total loan principal:				
 1. Project Loans	<8%	<8%	<8%	<8%
2. Rehabilitation Loans	<4%	<4%	<4%	<4%
3. Homebuyer Loans	<4%	<4%	<4%	<4%
% of total loans:				
4. Project Loans	<8%	<8%	<8%	<8%
5. Rehabilitation Loans	<4%	<4%	<4%	<4%
6. Homebuyer Loans	<4%	<4%	<4%	<4%
 % of loan payments collected out of total payments due to the City	95%	96%	96%	96%
 % of rehabilitation projects that are under \$55,000 per unit	93%	80%	95%	80%
 % of all SNI neighborhood initial inspections conducted within 3 days of client request	New Measure for 2002-2003			75%
 % of all SNI neighborhood rehabilitation grant and small loan projects completed within 45 days of initial inspection ²	New Measure for 2002-2003			75%
 % of all SNI neighborhood rehabilitation large loan projects completed within 245 days of initial inspection ²	New Measure for 2002-2003			75%
 % of all non-SNI neighborhood rehabilitation projects completed within 12 months from complete application to substantial completion	New Measure for 2002-2003			75%
 % of all paint grant projects completed within 6 months from complete application to project completion:				
1. SNI neighborhoods	-	-	-	75%
2. Non-SNI neighborhoods	-	-	-	75%
 % of rehabilitation and paint grant clients satisfied or very satisfied based on overall service:				
1. SNI neighborhoods	-	-	98%	98%
2. Non-SNI neighborhoods	-	-	98%	98%

¹ Cumulative goal for each of the five years in the Five Year Plan, 1999-2000: 611; 2000-2001: 611; 2001-2002: 798; 2002-2003: 985; 2003-2004: 1,172





² Small loans are those less than \$15,000; large loans are those over \$15,000

Housing Department

Core Service: Maintain the Existing Affordable Housing Supply

City Service Area: Economic & Neighborhood Development

Performance and Resource Overview (Cont'd.)

Maintain the Existing Affordable Housing Supply Performance Summary	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of Rental Dispute Program clients satisfied or very satisfied with overall service	New Measure for 2002-2003			80%
 Cumulative ratio of non-City to City funds in acquisition/rehabilitation projects	-	3 to 1	15 to 1	12 to 1
 % of loan management clients satisfied or very satisfied based on overall service	85%	85%	85%	85%
 % of project occupants rating units good or excellent based on value, project amenities, and maintenance	-	-	-	TBD*

* See Performance Measure Development section for details

Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
# of rehabilitation projects completed				
1. SNI neighborhoods	-	-	-	285
2. Non-SNI neighborhoods	-	-	-	54
Total:	67	150	160	336
# of rehabilitation applications processed				
1. SNI neighborhoods	-	-	-	300
2. Non-SNI neighborhoods	-	-	-	184
# of mobile home grant applications processed	113	150	-	140
# of paint grant applications processed	738	850	900	850
Size of Housing Department loan portfolio by category:				
Total loan principal (\$):				
1. Project Loans	-	-	310,100,500	385,250,000
2. Rehabilitation Loans	-	-	21,953,300	23,100,331
3. Homebuyer Loans	-	-	16,933,301	18,331,000
Total # of Loans:				
4. Project Loans	-	-	119	145
5. Rehabilitation Loans	-	-	715	895
6. Homebuyer Loans	-	-	460	610
# of Loan Management transactions (refinances, payoffs, subordinations, assumptions)	300	400	418	560
# of unduplicated Rental Dispute Program clients	-	-	-	TBD*
# of clients seeking assistance with eviction notices	-	-	-	TBD*

* See Performance Measure Development section for details

Housing Department

Core Service: Maintain the Existing Affordable Housing Supply

City Service Area: Economic & Neighborhood Development

Performance and Resource Overview (Cont'd.)

Maintain the Existing Affordable Housing Supply Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	N/A	N/A	\$ 2,782,719	\$ 3,423,958	N/A
Non-Personal/Equipment	N/A	N/A	636,574	830,317	N/A
Total	\$ -	-	\$ 3,419,293	\$ 4,254,275	N/A
 Authorized Positions	 N/A	 N/A	 33.00	 41.00	 N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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DIVERSE RANGE OF HOUSING OPPORTUNITIES

- | | | | |
|---|------|---------|---|
| 1. Expanded Housing Rehabilitation Program in Strong Neighborhoods Initiative Areas | 5.00 | 493,266 | 0 |
|---|------|---------|---|

This action provides funding to implement the expanded rehabilitation program in Strong Neighborhoods Initiative (SNI) areas. Using \$4 million in Redevelopment Agency funds, the City expects to double production of the current housing rehabilitation program, focusing on SNI areas. The positions created will include the following classifications: 4.0 Building Rehabilitation Inspector II, 1.0 Program Manager, and convert an existing 1.0 Office Specialist II to 1.0 Community Coordinator. (Ongoing cost: \$546,021)

Performance Results:

Quality Will increase the total number of housing rehabilitation projects completed from an estimated 160 in 2001-2002 to 336 in 2002-2003.

Housing Department

Core Service: Maintain the Existing Affordable Housing Supply

City Service Area: Economic & Neighborhood Development

Budget Changes By Core Service (Cont'd.)

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
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DIVERSE RANGE OF HOUSING OPPORTUNITIES (CONT'D.)

2. Portfolio Management Team	3.00	276,716	0
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This action provides funding for additional 1.0 Building Rehabilitation Inspector II, 1.0 Development Specialist and 1.0 Account Clerk to the Loan Management Division, to maintain the ever-growing loan portfolio of the Housing Department. The loan portfolio included 1,311 loans worth \$214 million in 1999, 1,560 loans worth \$285 million in 2001, and is expected to reach 1,650 loans worth \$427 million in 2003. The loan portfolio is anticipated to increase to \$547 million in the next four years. This includes maintaining annual compliance and monitoring services to existing projects with clients occupying over 13,000 units of affordable housing. (Ongoing cost: \$249,856)

Performance Results:

Quality Maintains performance in loan default rates and collection rates, and ensures security of the City's investment in affordable housing.

3. Rebudget: Vehicle Replacement	65,000	0
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This action rebudgets unspent 2001-2002 money for the replacement of two vehicles that were delayed due to a city-wide vehicle replacement freeze.

Performance Results: N/A (Final Budget Modification)

2002-2003 Adopted Core Service Changes Total	8.00	834,982	0
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Housing Department

Core Service: Provide Services to Homeless and At-Risk Populations

City Service Area: Economic & Neighborhood Development

Core Service Purpose

Provide direct and indirect assistance to the homeless and those at-risk of homelessness in securing housing and related services.

Key Operational Services:

- ☐ **Information and Referral Services for Homeless and Those At-Risk of Homelessness**
- ☐ **Grant Administration**

Performance and Resource Overview

This core service assists individuals and families on a daily basis. Direct services include information and referrals to emergency, transitional, and permanent housing options; coordination of rental assistance and mortgage payments; and linkages to other services such as health care, job opportunities, and transportation. In addition, four grant programs are administered by this core service: the Federal Emergency Shelter Grant Program, grants made through the Housing and Homeless Fund, the Mayor's Homeless Families and Children's Initiative Fund, and the Housing Opportunities for People with AIDS program (HOPWA). This core service contributes to the Economic & Community Development CSA outcome: *Diverse Range of Housing Opportunities*.

During the first 9 months of 2001-2002, staff assisted over 10,000 individuals and families. Of that amount, 5,370 were unduplicated cases. The roughly 50% return rate for homeless individuals and families demonstrates an increased need for comprehensive services. With shelters filled to capacity and extensive waiting lists for transitional and permanent housing, it is not possible to ensure housing placement, which is reflected in the performance measures.

Promoting Growth & Early Self-Sufficiency (PROGRESS) is an expansion of the Community Homeless Alliance Project (CHAP) Pilot Program. In May 2001, the Department of Housing reported to the City Council the results of the Pilot Program, and requested \$400,000 to develop a comprehensive housing assistance program for the hardest-to-serve homeless. The funds were awarded, and the CHAP pilot program was modified, resulting in PROGRESS. These funds were awarded to homeless service providers in early 2002 and are expected to assist 14 homeless families.

A five-year homeless plan is in development that will serve as a City informational resource, strategic document, and action plan to address homeless issues and needs. With Council approval of this plan, Council policy will be defined and subsequent actions will determine future performance targets.

Housing Department

Core Service: Provide Services to Homeless and At-Risk Populations

City Service Area: Economic & Neighborhood Development

Performance and Resource Overview (Cont'd.)

For 2002-2003, an increased level of service is anticipated. An increased need in assistance for the at-risk homelessness population is expected due to the current downturn in the economy. This core service also expects to administer approximately \$2,033,000 in grant funds, approximately a 1% increase from the prior year. Consistent with the Mayor's Budget Message, \$300,000 in General Fund money will continue to support the Mayor's Homeless Families and Children's Initiative Fund, which is administered by this core service. A description of these funds can be found in the City-Wide section of this document.

Performance Measure Development

The performance measures are designed to evaluate how effectively the program provides assistance to the homeless population. This year the measures reflect the same purpose as last year; however, the language was changed to indicate that, while the core service provides assistance and referral services to the homeless population in finding transitional and/or permanent housing as well as employment, the core service does not actually provide placement. Some previous performance measures have moved to Activity and Workload Highlights to better track the clientele this core service deals with on a day-to-day basis.

To improve overall customer service and increase efficiencies in performance, a database was upgraded to track all clients receiving both indirect and direct services, create specialized reports, and record direct service expenditures as well as leveraged funds from outside resources. Currently, staff is upgrading the homeless database in order to create automated reports containing performance measurement data. Staff also created a point-of-service survey that was implemented in July 2001, for inclusion in this year's performance data.




Provide Services to Homeless and At-Risk Populations Performance Summary		2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
\$	Ratio of non-City funds to City funds for individuals and families who are homeless or at risk of being homeless	0.41 to 1	0.40 to 1	0.50 to 1	0.50 to 1
\$	Ratio of non-City funds to City funds used for construction and rehabilitation of shelters and transitional housing	1 to 1	1 to 1	1 to 1	1 to 1

Housing Department

Core Service: Provide Services to Homeless and At-Risk Populations

City Service Area: Economic & Neighborhood Development

Performance and Resource Overview (Cont'd.)

Provide Services to Homeless and At-Risk Populations Performance Summary (Cont'd.)	2000-2001 Actual	2001-2002 Target	2001-2002 Estimated	2002-2003 Target
 % of qualified clients that are referred to or assisted with emergency housing within 24 hours	90%	-	90%	90%
 % of qualified at-risk clients who receive one-time rental/mortgage assistance within 5 days	77%	-	80%	80%
 % of walk-in clients that are satisfied or very satisfied based on overall services, timeliness, and courtesy	-	-	TBD*	TBD*

* See Performance Measure Development section

Activity & Workload Highlights	2000-2001 Actual	2001-2002 Forecast	2001-2002 Estimated	2002-2003 Forecast
Estimated # of homeless episodes in the City of San Jose	12,600	-	10,000	10,000
Estimated # of clients receiving direct or indirect assistance	-	-	-	TBD*
# of unduplicated clients assisted by the Homeless Program	8,500	8,600	8,000	8,000
# of homeless people returning for services	9,100	9,250	8,500	8,500
# of qualified clients referred to or assisted with obtaining a job	85	90	100	100
# of clients assisted by phone	14,000	14,000	-	-
# of clients seeking assistance with the following:				
1. Transportation	-	-	8,000	8,000
2. Shelter - referred to emergency lodging	-	-	225	300
3. Shelter - referred to transitional housing	-	-	40	80
4. Housing - successfully referred to emergency, transitional, or permanent housing	-	-	480	500
5. Information regarding landlord negotiations, intervention with Social Services Calworks, Social Security, Veteran, etc.	-	-	8,000	8,000

* See Performance Measure Development section

Housing Department

Core Service: Provide Services to Homeless and At-Risk Populations
City Service Area: Economic & Neighborhood Development

Performance and Resource Overview (Cont'd.)

Provide Services to Homeless and At-Risk Populations Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Core Service Budget *					
Personal Services	N/A	N/A	\$ 501,231	\$ 501,231	N/A
Non-Personal/Equipment	N/A	N/A	80,753	80,753	N/A
Total	\$ -	-	\$ 581,984	\$ 581,984	N/A
 Authorized Positions	 N/A	 N/A	 6.00	 6.00	 N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of this Core Service. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Core Service performance, yet are displayed elsewhere in this budget.

Budget Changes By Core Service

Adopted Core Service Changes	Positions	All Funds (\$)	General Fund (\$)
NONE			

Housing Department

Strategic Support

Strategic Support represents services provided within departments that support and guide the provision of the core services. Strategic Support within the Housing Department includes:

- | | |
|--|--|
| <input type="checkbox"/> Public Education | <input type="checkbox"/> Facility Management |
| <input type="checkbox"/> Long Range Planning | <input type="checkbox"/> Vehicle Maintenance |
| <input type="checkbox"/> Financial Management | <input type="checkbox"/> Audit Supervision |
| <input type="checkbox"/> Computer Services | <input type="checkbox"/> Materials Management |
| <input type="checkbox"/> Clerical Support | <input type="checkbox"/> Policy Development |
| <input type="checkbox"/> Employee Services | |

Performance and Resource Overview

In 2001-2002, Strategic Support purchased and aggressively pursued the implementation of Housing & Development Software (HDS). The Housing Department's organizational structure consists of six groups that focus on new construction, housing rehabilitation, loan monitoring, management and analysis, homeless services, and policy and program development. Each group had a database, and they were not integrated--nor could they be upgraded. The Department needed this fully integrated departmental database software application to fulfill numerous reporting requirements and to track operational performance measures. Starting in 2002-2003 this database will be fully operational.

Strategic Support Resource Summary	2000-2001 Actual 1	2001-2002 Adopted 2	2002-2003 Forecast 3	2002-2003 Adopted 4	% Change (2 to 4)
Strategic Support Budget *					
Personal Services	N/A	N/A	\$ 2,134,863	\$ 2,134,863	N/A
Non-Personal/Equipment	N/A	N/A	762,932	762,932	N/A
Total	\$ -	-	2,897,795	2,897,795	N/A
Authorized Positions	N/A	N/A	23.00	23.00	N/A

* The Resource Summary includes all operating allocations within the Department that contribute to the performance of Strategic Support. Note that additional resources from City-Wide Expenses, Special Funds and/or Capital Funds may also contribute to Strategic Support performance, yet are displayed elsewhere budget.